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Yeltsin Continues U.S. Visit

ITAR-TASS reports that a "Charter on Russo-American Partnership and Friendship" was signed on 17 June by U.S. President George Bush and Russian President Boris Yeltsin. Russian Television carried live the speech by Yeltsin to the U.S. Congress on 17 June, in which he urged Congress to pass the "Freedom Support Act" and noted that "legal acts promoting reforms mean much more than injections of dollars."

ITAR-TASS also reports that during a White House news conference, Yeltsin responded to a question on the status of American POW's and MIA's in Russia. He said: "The most important thing is that we now know the general picture as far as numbers are concerned: How many there were on Russian territory; how many are left; in which camps U.S. POW's were kept; and from which war—i.e., World War II, the Korean war, or other incidents. This picture is clear. We know who has died and who has been buried. We still do not know the definite number of individuals who do not fall into any category. There is simply no information on them. Therefore, we hope that some of them are still alive on Russian territory."

Ukraine Endorses Nuclear Weapons Reduction Accord

During a news conference in Paris, Ukrainian President Leonid Kravchuk said Ukraine "endorses the accord on the large-scale reduction in strategic nuclear weapons reached yesterday by Russia and the United States," ITAR-TASS reports. He recalled that Ukraine announced its intentions of becoming a non-nuclear power, therefore, "its attitude toward any step taken in the field of nuclear disarmament is naturally positive."

Nagorno-Karabakh Fighting on Verge of 'Major War'

Yerevan International notes that "military commentators believe that the military operations" in Nagorno-Karabakh "have assumed such momentum and ruthlessness that we are on the threshold of a major war." Yerevan Radio reports that Azerbaijan "intends to broaden its aggression soon." The Nagorno-Karabakh Supreme Soviet issued an "open appeal to Armenian officers, all professional military men, and all Armenian youths" against the "threat of the physical extermination of the Armenian people," reports Moscow TV.

Armenian President Levon Ter-Petrosyan told correspondents on 17 June that "Russia is upsetting the balance of armaments" by "supplying 100 tanks to Azerbaijan," which were used in the attack on Nagorno-Karabakh, reports ITAR-TASS.

ITAR-TASS also reports that Azerbaijani Internal Affairs Minister Iskender Gamidov denied that the Azerbaijani offensive was aimed at "driving the Armenian population out, let alone their physical extermination." He stated that Azerbaijani measures in Nagorno-Karabakh "are of a forced nature, aimed exclusively at suppressing the gun emplacements of Armenian armed formations."

New Appointments in Russian Security

INTERFAX reports Russian President Boris Yeltsin named Nikolay Golushko, former head of the Ukrainian KGB, as First Deputy Minister of Security of Russia. Golushko, characterized as "an experienced, intelligent, and competent professional," replaces Anatoliy Oleynikov who retired "due to poor health."

Viktor Zorin has been appointed to the "post of chief of the Russian Ministry of Security's Counterintelligence Directorate" after Viktor Klishin's departure, and Vladimir Shlyakhtin was chosen as "deputy minister and chief of Russian Border Troops," according to KOMSOMOLSKAYA PRAVDA.

Devices Buried at Semipalatinsk Pose Dilemma

PM1706145992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 17 Jun 92 p 3

[Report by V. Gorchakov, A. Khokhlov, and O. Shevtsov: "'Delayed'-Action Explosion"]

[Text] Rome—Kazakh writer Olzhas Suleymenover's sensational statement confirmed Western mass media reports that it is true that "three nuclear charges have disappeared" in the CIS. Speaking in Rome at a news conference organized by KOMSOMOLSKAYA PRAVDA and the Italian Helsinki Committee and devoted to disarmament and human rights problems, he said that he even knows where they are located.

The three devices, brought in from the Russian "Chelyabinsk-70" nuclear center, had been located on the territory of the Semipalatinsk test site at a depth of 600 meters. They were to be detonated. But then our unilateral moratorium on nuclear tests was declared, and subsequently the USSR disintegrated and Kazakhstan announced the closure of the test site.

These charges could not have disappeared when strategic nuclear weapons were moved from Kazakhstan's territory to Russia: Each of them is buried under a 600-meter "pillar" of hard concrete. No one knows what to do about this. According to specialists, it is virtually impossible to remove the charges. Left buried underground, they may "go off" of their own accord in a number of years. This leaves...blowing them up. But what about the moratorium? And how is the need for new "earthquakes" to be explained to the inhabitants of Kazakhstan?

Three of the five nuclear test sites in the world already have fallen silent—Kazakhstan's Semipalatinsk, Russia's Novaya Zemlya, and France's Mururoa. It is possible that the U.S. Nevada test site also will declare a moratorium in the near future. A chance to achieve a nuclear silence has emerged for the first time in history. However, the precedent of an explosion, albeit a necessary one, on Kazakh soil could reduce this chance to nought and trigger new tests at all five test sites.

Official Notes START Ratification Progress

PM1806090792 Moscow KRASNAYA ZVEZDA in Russian 17 Jun 92 p 1

[Interview with Aleksandr Piskunov, deputy chairman of the Russian Federation Supreme Soviet commission for questions of defense and security, by Captain Second Rank O. Odnokolenko; place and date of interview not given: "Is Parliament Ready To Ratify Strategic Offensive Arms Treaty?"—first paragraph is introduction, final paragraph is postscript]

[Text] Aleksandr Piskunov, deputy chairman of the Russian Federation Supreme Soviet committee for questions of defense and security, answers your KRASNAYA ZVEZDA correspondent's questions.

[Odnokolenko] Aleksandr Aleksandrovich, a session of the Russian Supreme Soviet committee for questions of defense and security was held recently which again examined the terms for our parliament's ratification of the Strategic Offensive Arms [START] treaty. What were its results?

[Piskunov] As you know, the Russian Federation Supreme Soviet committee for questions of defense and security suspended the ratification of the START treaty in connection with the vagueness of the ratification procedures. After the protocol had been signed in Lisbon, we deemed it possible to continue ratification. The leaders of the leading research institutes of the branches of the armed forces of the nuclear triad were invited to the committee's session and a specific talk was held with them on military-technical aspects of the treaty, including possible initiatives in that direction by both the United States and Russia. The discussion was substantive. Now, when it is already clear to us that we will hardly succeed in finding money both for armament and for disarmament, we must weigh each step particularly painstakingly and approach each assessment of priorities in the nuclear triad scrupulously.

[Odnokolenko] Perhaps it is already obvious that the balance and equilibrium of combat potential is a temporary state. You yourself note that even from the economic viewpoint Russia will hardly be able to follow the terms of the START treaty dictated by the United States....

[Piskunov] The point is—and it is a fundamental element—that no one has yet determined precisely enough what is the level of unacceptable damage and how many nuclear warheads would need to be delivered for this purpose to the territory of some hypothetical enemy. And when there is no precise assessment of the level of unacceptable damage, to talk of whether or not we will ensure nuclear-strategic balance is rather complicated. But both we and the Americans understand well that with the existing restrictions under the ABM treaty even a substantial reduction of strategic offensive weapons still does not guarantee nuclear parity. Another problem is far more serious—the possible "spread" of nuclear weapons to third countries.

[Odnokolenko] If there was talk of the possibility of reducing strategic offensive weapons below the set level without substantially violating the strategic balance, then consequently a unilateral reduction of our defense potential is entirely feasible?

[Piskunov] We are prepared to conduct talks on reduction on a mutual basis and to analyze such proposals seriously. But, I repeat, in parliament there is the opinion that a reduction according to this scenario could cost us too dear.

[Odnokolenko] But this option is possible and it seems to me it should be considered. After all, it may happen that we, as the committee session said, because of economic

conditions simply will be unable to keep within the framework of the START treaty.

[Piskunov] Undoubtedly, if the terms of the treaty and the reduction procedure are such that we are in fact unable to implement them...Right now we believe that we will still be able to fulfill the START Treaty.

According to our assessments we have sufficient resources for this. But the further reduction, the further alteration of the structure of the strategic nuclear forces, could be beyond the power of either our economy or our social policy.

[Odnokolenko] Well, of course this must be taken into account. But what is the overall mood in parliament; are the deputies prepared to ratify the START Treaty? If they are, then how soon might this happen?

[Piskunov] The two last rounds of hearings attest that the START Treaty could soon be ratified by Russia. But there is a fundamental element. Even if the Russian parliament ratifies this treaty, the ratification instrument can be handed over only after Ukraine, Byelarus, and Kazakhstan as nonnuclear states sign the treaty on the nonproliferation of nuclear weapons. Without that condition Russia can hardly assume responsibility for observing the START treaty.

[Odnokolenko] Especially as Byelarus, Kazakhstan, and Ukraine are to become states acceding to the START Treaty....

[Piskunov] Yes, these states will become parties to the START Treaty but here they have unconditionally signed commitments rapidly to accede to the treaty on the nonproliferation of nuclear weapons as nonnuclear states. We are following this process attentively. And I believe that we have a certain reserve in terms of time. At the same time we are observing no less closely the way in which the process of ratification by the American side is being prepared. Unless the treaty is ratified before the election of the new U.S. president, there is a danger that it will not be ratified at all.

[Odnokolenko] Nonetheless, to judge by the position of our former opponents and former allies, we will simply be compelled to reexamine our defense priorities with a consideration for Russian interests.

[Piskunov] The economic and political situation demands from us the readiness and ability to defend Russia's interests independently. Of course, it would be better to resolve questions in dialogue, but on questions of disarmament our position should nonetheless be more independent. [Piskunov ends]

Essential Postscript

At the time the Lisbon protocol was signed the Russian side deemed it necessary to issue a written statement. It highlighted three main elements. First, Russia proceeds from the premise that the commitments enshrined in the messages from the top leaders of Byelarus, Kazakhstan, and Ukraine to the U.S. President have been assumed with regard to all other aspects of the START Treaty. It also proceeds from the premise that seven years after the treaty enters into force there will be no nuclear weapons nor the strategic means for their delivery on the territory of Byelarus, Kazakhstan, and Ukraine. Second, Russia expects these states to accede to the treaty on the nonproliferation of nuclear weapons no later than the date of the entry into force of the START treaty and will consider this when planning the time for the exchange of instruments of ratification. Third, Russia views Byelarus, Kazakhstan, and Ukraine as states which do not have nuclear weapons by the time the protocol is signed and notes that their participation in the protocol confirms and strengthens their nonnuclear status.

'Crucial' Pause in Nuclear Testing Urged

PM1706113192 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jun 92 First Edition p 5

[Commentary under "Ecology" rubric by Aleksandr Veshnyakov, member of the Russian Supreme Soviet; Aleksandr Yemelyanenkov of the "Toward a New Land" movement; and Vladimir Yakimets of the Russian Academy of Sciences Systems Analysis Institute and the "Nevada-Semipalatinsk" movement: "Traffic Signal on Amber"]

[Text] Scorning public opinion, nuclear weapons developers in the United States and China are pressing ahead with perfecting state-of-the-art systems. Russian nuclear physicists are attending the tests in the capacity of observers, thereby demonstrating professional-clan solidarity, although they explain it as concern for our security.

Five nuclear powers and five nuclear test sites...As of today, three test sites have fallen silent: Semipalatinsk, for good; Novaya Zemlya and Mururoa, temporarily. The two remaining test sites—in Nevada, where the United States and Great Britain carry out tests, and near Lake Lop Nur in China—will not be closed for the time being.

The last three months have been characterized by heightened activity at these two test sites. The United States has already carried out two of the five tests planned for 1992, and the third is scheduled for June. If we plot on this graph the explosion of roughly 1 megaton yield carried out by the Chinese 21 May, then what becomes apparent is unconcealed haste, an effort "to jump" the amber light at a nuclear intersection blocked by public opinion before the political traffic signal shows the red light of a universal moratorium.

An analysis of such hustle and bustle in conjunction with other facts and events reveals certain patterns.

After the Russian and U.S. leaders' initiatives on drastic cuts in nuclear arsenals, nuclear experts in both countries had to all intents and purposes lost their former argument in favor of testing. Even before this, it was patently

transparent. Behind the palisade of mythical arguments about technical security, verification [verifikatsiya], national security, and similar arguments the sole logically indisputable argument was laid bare—the creation [sozdaniye] of new types of nuclear warhead. And when this rotten fence of arguments which was constructed in the "cold war" period came under fire and tumbled, the real intentions of the advocates of nuclear deterrence were exposed. Naturally, it placed them in an unfavorable light. Frozen briefly under the public gaze, the "naked nuclear kings" began to construct new arguments.

By way of a sample let's look at a couple of the "newest" arguments. First, tests are necessary in order to develop [otrabotat] a type of warhead which terrorists will not be able to use if they get hold of it. Second, tests allow us to equip warheads with charges which will not explode even in the event of the most unlikely incident, and to fit them with triggers (actuating devices) which would not initiate an explosion even if the warhead is struck by lightning.

Do you feel a little worried, citizens of the earth?

Such arguments proved unconvincing. Then the Russian and U.S. nuclear military-industrial complexes decided to exert heavy pressure on their peoples and parliaments and the leadership of these countries. How is this done? By pooling efforts. Aside from backstage political moves in Russia (B. Yeltsin's signing of the 27 February decree on beginning preparation of the Novaya Zemlya test site for tests in circumvention of the Russian parliament), U.S. nuclear physicists began to accompany their requests and demands with "explosive" arguments by inviting Russian colleagues to participate as observers.

Why the need for a coercive policy in respect of one's own peoples and legislators? At the end of last year two bills (HR 3636 and S 2064) were submitted to the U.S. House of Representatives and Senate for examination. Both sought to introduce a 12-month moratorium on nuclear testing in the United States. And by the end of March it had become clear that they were picking up more and more supporters.

Hearings and sessions on questions concerning the activity of the U.S. nuclear military-industrial complex were scheduled in committees of the U.S. Congress. In particular, plans for future nuclear tests were scheduled to be heard 25 March. However, this session was postponed until 31 March. Why? Because there had not been time to prepare the main coercive argument—the first nuclear explosion of 1992. It was carried out 26 March in the region of Paiute Mesa, 160 km from Las Vegas. The test's yield was between 20 and 150 kilotons. After the explosion subterranean tremors measuring 5.5 on the Richter scale were felt.

This "argument" was also needed for the debates in the Armed Services Committee on plans to modernize the U.S. nuclear military-industrial complex (1 April), on the future of the nuclear arsenal (8 April), and also on U.S. strategic nuclear weapons in the post-Soviet era (8 April). Furthermore, shortly before the first explosion the Congressional Office of Technology Assessment issued a report entitled "After the Cold War: Living With Lower Military Expenditure."

The second test was conducted 30 April under the poetic name of "Diamond of Destiny." Its aim consisted in monitoring [proverka] the parameters of the functioning of the military equipment as well as communications equipment during a nuclear explosion. The yield of the test in a horizontal tunnel did not exceed 20 kilotons.

This "argument" by the American nuclear hawks was also timed to coincide with specific events. Hearings took place in the commission on the activity of U.S. nuclear military-industrial complex enterprises 28 April at which the energy secretary delivered a report on plans and financial requirements for the development of nuclear arms; and he also prepared his 6 May speech on the 1993 budget before the Armed Services Committee's Strategic Forces and Nuclear Deterrence Subcommittee.

The "explosive" argument scheduled for 11 June also has a clear purpose. The examination of the law on 1993 defense budget expenditure is under way in Congress.

Contrary to the nuclear hawks' expectations, the number of supporters of a moratorium has continued to grow. By the beginning of June they constituted an overall majority in the House of Representatives—218—and in the Senate they numbered 42. To adopt a decision, 218 and 50 votes respectively are required.

Representatives of "Military Production Network," an alliance of U.S. scientific and civilian organizations which embraces over 20 groups actively opposed to the activities of certain enterprises in the U.S. nuclear military-industrial complex, have sent a letter to members of the Kazakh, Russian, and French parliaments asking parliamentarians to appeal personally to their colleagues in the U.S. Senate to support a moratorium. A letter of reply was signed by over 50 members of the Russian Federation Supreme Soviet. This appeal to the senators states in part:

"We hereby inform you that the Congress of Russian People's Deputies has approved a moratorium on nuclear tests and it has urged the parliaments of the nuclear states not to waste the historical opportunity which has arisen in the world following France's suspension of its nuclear testing program. As members of the Russian parliament, we appeal to you to support a moratorium. For our country, which is experiencing the most difficult socioeconomic crisis, support from the United States on the said question could, in conjunction with other measures, serve to help preserve democracy in our country.

"It seems to us that a 12-month pause in nuclear testing would also be useful for resolving domestic problems in the United States and for consciously reviewing the system of international treaties and organizations in a calm atmosphere."

A new announcement which has just arrived from the United States once again proves that turmoil has seized the nuclear physicists' camp. The 11 June test was put back a week. Without conjecturing over the reasons for such decisions, let us remember that it was on the 11th that Bush was expected to address the UN Conference in Brazil, and between 16 and 18 June B. Yeltsin is due to visit Washington and important documents are to be adopted.

If Congress adopts the U.S. bills, then the final decision will lie with the U.S. President, who could use his right of veto. During his visit the Russian leader has a chance to persuade Bush at the very least to effect a 12-month pause in testing. This pause is crucial to the world.

If this pause is not obtained, the world may have to face up to the fact that once the Nonproliferation Treaty expires in 1995 around 20 countries will receive the moral right to acquire nuclear-power status. If this happens, no superpower and no international organization will be able to control the course of events.

Tokamak-7 To Advance PRC Nuclear Potential

PM1706100192 Moscow PRAVDA in Russian 16 Jun 92 p 3

[Correspondent Boris Barakhta report: "Gift Worth $16 Million. Our Specialists Set About Assembling a Unique Thermonuclear Installation in the PRC"]

[Text] Beijing, 15 Jun—Work is going on at full speed at the plasma institute in the city of Ho-Fei, which until recently was closed to visits by foreigners. A unique Soviet installation for controlled thermonuclear fusion—a Tokamak-7—is being assembled. Our nuclear power engineering specialists have been assisting Chinese colleagues as they work around the clock. A report about this was just published in the Beijing English-language newspaper CHINA DAILY.

I approached Chinese specialists who had just returned from Ho-Fei for an explanation. They explained to me that the T-7 thermonuclear installation is now the world's third biggest. Soviet scientists created it in 1983. Putting the tokamak into operation at the beginning of next year will sharply increase China's scientific potential.

In the opinion of Wang Kongjia, deputy director of the plasma institute, it would have taken Chinese scientists 30 to 40 years to create anything similar. Progress in research in the area of thermonuclear fusion is being closely followed all over the world, because it represents the possibility of harnessing the hydrogen bomb and obtaining a practically inexhaustible energy source. The tokamak can also be used as a powerful source of neutrons for irradiating uranium-238.

China, of course, does possess its own nuclear capability and has the right to carry out scientific research in the field of controlled thermonuclear fusion and to cooperate with anyone it chooses. But look what happened just recently when we supplied modern rocket engines to India. What a fuss they kicked up in Washington, even adopting punitive sanctions. However, Moscow took the blow on the chin with an obsequious smile. It will be interesting to see how the U.S. administration reacts to the current news from Beijing.

My question caused amused laughter at the PRC Foreign Ministry. Indeed, China had endured two years of American sanctions after the events in Tiananmen Square; nor was Beijing buckling at the knees because Washington's complaints on the subject of the so-called human rights problem. A great and cohesive power would always be able to withstand any blockade or diktat.

There is something else to think about in this connection. The PRC scientists—and they make no secret of the fact—have obtained the tokamak, which is worth $16 million, practically for nothing. Forthcoming barter deliveries of computers and outerwear worth $45,500 can hardly be considered equivalent payment. The Russian Embassy in Beijing noted bitterly: Is this unique installation the only instance? Russia is being sold off cheap, in China as well...

I am happy for Chinese science to receive such a unique gift. Chinese businessmen also deserve credit for not dropping the prices of their goods by a cent [fenya] and yet haggling to buy ours at prices significantly lower than world prices, or getting them for a song. What they are doing is fighting for their national interests—if you like, for commercial gain. In any event the T-7 really will advance the PRC's scientific potential. There is also an understanding about obtaining another, more powerful and modern installation. I am happy for our neighbor, but for some reason bitterness remains in my heart.

Coordination Urged in Uranium Trade

PM1706104192 Moscow ROSSIYSKIYE VESTI in Russian 15 Jun 92 p 3

[Article by "Tekhsnabeksport" Vice President Arkadiy Chuvin under the "Situation" rubric: "Uranium, Competition, and All the Consequences. What the U.S. Submission to the Russian Ministry Indicates"]

[Text] The U.S. Embassy in Moscow has sent a submission from the U.S. Commerce Department to the Russian Federation Ministry of Atomic Energy. The long and the short of it is that the Russian organization "Tekhsnabeksport," like representatives of five other former Union republics, is accused of dumping uranium output on the U.S. market. The ministry is notified that in response penal import duties fixed in line with a provisional decision at a maximum level of 115.85 percent could be introduced from 11 August. Consequently Russian uranium prices could soar to at least double their present level. Moreover, the customs service has stated that our output has basically been detained

since March. It is not hard to see the threat this poses to us: We could sustain appreciable losses.

Although the decision has been made by the U.S. Commerce Department and the submission has been made not to the government but to one of our departments, the word "Russia" has been glimpsed alongside complaints about "unfair trade" in the Western press. Let us leave these generalizations to the conscience of the journalists and try to elucidate what is the real essence of the conflict that has arisen between the U.S. department and the Soviet ministry.

Let's begin with the main point: Was there any dumping? According to the Americans' definition, dumping takes place when imported goods are offered to the United States at "prices lower than fair prices." But how do they interpret fair prices? This is hard to answer. There is a concept that is generally accepted in world practice. Dumping means selling goods at a price lower than the cost price. We do not sell uranium so cheaply. For the information of those who do not know: The cost of producing uranium in our country is lower than in other countries. Therefore we can ask less for it than the Americans, for whom producing [sozdaniye] uranium works out more expensive. So what dumping are we talking about here? And who, by the way, is preventing our partners from establishing an equally efficient way of producing uranium?

Furthermore, it is impossible not to mention the current completely abnormal ruble-dollar exchange rate. It covers all our expenses and turns uranium into one of our most profitable goods. Moreover, uranium prices also depend on contract terms. In the case of long-term contracts intended to run for many years, the price is always higher since supplies are stable and guaranteed. Whereas in the case of short-term contracts, where it is a matter of individual purchases or covering requirements that arise suddenly, prices can be two or three times lower. We, of course, favor stable and long-term ties. Whereas U.S. dealers are offering us one-shot deals. But it is clear that even this does not suit them any more.

Finally, we have lost quite a few deals in the United States since U.S. businessmen refuse to do business with us because they say our prices are too high for them. This fact is true. Meanwhile, judging from items in the business press, other consignments of uranium are being sold in the United States at cheaper prices than ours.

So what is all this about dumping and "unfair trade," and why is action being taken against us?

The U.S. Commerce Department justifies its position by citing data submitted to it in a petition from the provisional committee of American uranium producers and the Oil, Chemical, and Atomic Workers International Union. Unfortunately, this is a lengthy and casuistically convoluted document from which we were unable to learn in clear terms what we had done wrong.

Our specialists are left similarly bewildered by the U.S. department's reference to the allegedly inadequate and insufficient information received from uranium producers and exporters in the former Soviet republics, including Russia. But, you know, we prepared this information together with a group of U.S. representatives who came to our country and fully approved it.

I think that the matter has little to do with these petty trifles which are very reminiscent of mere faultfinding. In fact the causes lie deeper. Let's take a quick look at recent history. We have been trading uranium for 20 years now. Our first contract was concluded with France in 1971. At that time U.S. capital ruled the roost in the world market and it had the most efficient uranium production facilities at its disposal. Only by uniting in the early eighties were France, Belgium, Italy, and Iran (Eurodif) only able to build a commercial uranium enrichment enterprise. Germany, Britain, and the Netherlands (Urenco) in turn pooled their finances and scientific efforts and also began to produce uranium for sale.

Nevertheless, neither of these groups was able to achieve the same success as we achieved: We had the most advanced technology in our country. The quality of our product was the highest in the world. For example, the French technology is similar to the American—very energy-intensive and with a high prime cost. Therefore they find it difficult to compete with us.

Despite this disposition of forces, however, an incomprehensible situation has developed: Our high-technology product has just 5 to 7 percent of the world market, whereas it could have at least 25 percent. The market is large—all countries that are developing their power industries. But there is a reluctance to let Russia into this market. For a long time the United States was practically closed to us. The Americans are not at all keen to open the door of their house to strangers.

And now, despite complex U.S. legislation and a multitude of convoluted bureaucratic obstacles, Russian industrialists have decided to force their way through to the U.S. consumer. Our uranium first arrived in the United States in 1990. There was not very much of it, and the market did not notice the additional amount. The next year the volume of sales doubled, and this year it has grown even more.

At this point firms started to get frightened. Over the last five to six years uranium prices have clearly been on a downward trend. Many mines in the United States, Canada, and Australia have simply had to close down because they were unable to withstand the competition. Then the Russian goods came along as well....

In other words we see a picture of a conflict of interests between different industrial groups in the uranium production market, and an intensification of the struggle in this market. This intensification is attributable to the fact that in the next few years a number of long-term contracts under which the U.S. Department of Energy

delivers uranium to its own and foreign consumers are coming to an end. Consequently there is likely to be increased demand in the market. But the position of the department itself could be somewhat shaky—its enrichment production costs are high. The firms Cogema (France) and Urenco (Germany, Britain, the Netherlands) want to exploit this fact and attempt to squeeze the Americans out of the European and Asian markets while at the same time expanding their own position in the U.S. market. Therefore our supplies are unwelcome for all of them, since they could grow in the near future to be worth $500 million a year.

Is it possible to combine the interests of different countries? We are convinced that it is perfectly possible to do so. Why not, for example, set up an international organization similar to OPEC that would include leading producers and consumers of the goods and services of the nuclear fuel cycle? Then it would probably be easier to reach agreement about each participant's sales quotas in accordance with that participant's potential. At the moment no such pool exists in the world, but the need for one to emerge became pressing long ago. Is it really not obvious that all its members would find it much easier to resolve any contentious problems that might arise?

How are we, the republics of the former Union, to get into the world market? The question is not an idle one. Today decentralization of foreign trade and demonopolization is under way across the entire territory of the CIS. And this is a natural process. But in the sphere of the uranium industry it is hardly sensible to split up into national compartments. Neither Russia nor the other independent states wins by this. And here is why.

Russia has been involved in uranium production for a long time, and successfully too. People who work in this sector know that it is most advantageous to have a complex embracing the entire nuclear cycle, including the extraction, processing, and enrichment of uranium, the production of fuel elements for nuclear reactors, the return of spent fuel, recycling and burying the fuel, etc. In the CIS only Russia possesses this complex. The other republics can only separate ore from barren rock, nothing more. But selling round timber, for example, or dressed lumber are different things entirely. Any dealer realizes that he suffers enormous losses if he markets unfinished products. It is therefore puzzling to read claims in the press that Kyrgyzstan, for example, is offering enriched uranium. Neither Kyrgyzstan nor any other CIS countries have it, they only have the natural concentrate, and this costs much less.

In addition to all this, uranium is not galoshes that you can sell to just anybody. The uranium trade is conducted according to strict international rules. But the former republics are not members of the International Atomic Energy Agency, which monitors this trade, or the London Club, nor have they signed the Treaty on the Nonproliferation of Nuclear Weapons. In these circumstances there is no guarantee that uranium will not fall into the hands of those who will want to use it not only for peaceful purposes, nor can it be ruled out that it will be illegally resold, siphoned off abroad, or have other undesirable consequences.

Nor should Russia's considerable experience in the world market, knowledge of consumers, and reputation in the business world be discounted. However, today's CIS countries will have to learn all this from scratch, and how long this will take is anybody's guess.

It is probably worth reflecting for a bit on everything that has been said above. The conclusion suggests itself of its own accord: "Tekhsnabeksport" is resolutely in favor of a coordinated policy in the field of uranium exports and the establishment of a unified structure operating on behalf of all uranium-extracting enterprises on CIS territory.

Let me note, incidentally, that the Russian Ministry of Atomic Energy and our organization have literally bombarded the government with proposals about this urgent problem and submitted a detailed action program. We are continuing to methodically demonstrate our point of view and the obvious advantages of realizing it. Thus far we have received no answer. And we cannot help racking our brains as to why the government is dragging its heels.

At the present time it is easy to predict the outcome of the Americans' attempt to basically block our path into their market. Nonetheless we face a tough fight, since none of our competitors wants to give ground in international trade affairs. Such is the reality of the world market. And we must come to terms with this whether we like it or not.

Cesium Containers Stolen From Krasnoyarsk Depot

PM1706133392 Moscow IZVESTIYA in Russian 12 Jun 92 Morning Edition p 6

[Report by Aleksey Tarasov: "Cesium Stolen in Krasnoyarsk"]

[Text] A lead container containing a source of radioactivity—cesium—has been stolen in Krasnoyarsk from the base of the oil pipeline administration.

It has been established that the culprits, having unsealed the storehouse, which was essentially a shoddily constructed metal garage, were looking for precisely this lethal substance. What for? So far we can only guess.

If the container is opened, the yield of an exposure does at a distance of one meter will be one roentgen an hour. Touching the source will give a radioactive burn and a few hours in its vicinity will give a lethal dose of radiation.

Now, as I am filing these lines, an intensive and so far unsuccessful search is under way in Krasnoyarsk.

Scale of Radioactive Contamination Studied

PM1706152392 Moscow ROSSIYSKIYE VESTI in Russian 15 Jun 92 p 1

[Unattributed report under the "Government Messenger" rubric: "Program for Investigating the Radiation Situation"]

[Text] A program of work for additional investigation of the radiation situation on Russian territory has been approved by a directive of the Russian Federation Government. It includes the drawing up of maps showing the radioactive contamination of Russian territories and the identification and decontamination of contaminated sites in cities, industrial centers, and the population's mass recreation zones.

The document also envisages drawing up a priority list of rayons and population centers to be studied, formulating standard requirements for monitoring the effectiveness of decontamination, and a number of other measures to rehabilitate territories with a high level of radioactive contamination and to salvage radioactive materials.

Plan To Improve Nuclear Power Safety Welcomed

PM1606082192 Moscow Russian Television Network in Russian 1000 GMT 11 Jun 92

[Announcer-read report over video; from the "Vesti" newscast]

[Text] [Announcer over video of wreckage] The International Atomic Energy Agency [IAEA] has drawn up a plan for enhancing the safety of nuclear reactors in the former USSR and East Europe.

The project will be approved at the G-7 meeting in Munich. It will cost a total of between $10 billion and $20 billion to implement. The money will be provided not only by countries which have Chernobyl-type nuclear power stations on their territory but also by Western states, the World Bank, the European Bank for Reconstruction and Development, and the European Investment Bank.

There are 16 reactors of this type in the republics of the former Soviet Union alone. They produce almost 50 percent of the electricity generated in our country by nuclear power stations. It will be difficult to close them down. This will mean the disruption of a substantial part of the electricity supply system.

Scientists have worked out that nuclear power station reactors constitute a danger equivalent to 50 Hiroshima bombs. It is not difficult to calculate the nuclear potential threatening our country, and not our country alone. Even in and around Moscow there are some 15 reactors whose safety is extremely questionable.

This is why the IAEA program is so very urgent. [video shows wreckage, a bank, Aerostar Hotel, exterior and interior of Leningrad nuclear power station, mushroom cloud, map of Moscow, nuclear power station exterior]

Shaposhnikov on CIS Summit, Future of Fleet

OW1706164092 Moscow INTERFAX in English 1607 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The Commander-in-Chief of the Commonwealth Forces, Marshal Yevgeniy Shaposhnikov, in an exclusive interview with IF [INTERFAX] said military issues would certainly come on the agenda of the next CIS summit in Moscow on July 6.

In his view, the collective security agreement signed at the previous summit in Tashkent was rather declarative being in need of substance. Shaposhnikov said he now wanted to raise the question of structures and functions of the Chief Command of the Commonwealth Forces.

He also hopes for detailed discussion of the future of the strategic weapons, with Ukraine's specific position being taken into account.

Marshal Shaposhnikov said the Moscow summit must pass its final verdict on the future of the Black Sea Fleet since the issue was of concern by the Commonwealth as a whole but not Russia's or Ukraine's alone. If CIS leaders get together, he said, they will have a greater chain [as receievd] of striking a compromise in civilized ways.

In his own view, the Fleet must belong to Russia although conceding that other former Soviet republics can claim it. Shaposhnikov referring to Ukraine's argument that the Black Sea Fleet was just its own share of the former Soviet Navy taken as a whole said none of the republics claimed the North or the Pacific Fleet at a time when Georgia, Russia and Ukraine all wanted the Black Sea Fleet. Which means, he said, it must be shared.

Shaposhnikov did not rule out the possibility that after the sharing-out, some CIS members may want to devolve the right to their share of the Fleet to Russia as nuclear power. This, he said, could bring the Fleet as part of the strategic forces under the Chief Command of the Commonwealth Forces.

ITAR-TASS Press Review for 18 Jun

LD1806053192 Moscow ITAR-TASS in English 0447 GMT 18 Jun 92

["Press Review"—ITAR-TASS headline]

[Text] Moscow, June 18 ITAR-TASS—Russian newspapers give prominent display to Russian President Boris Yeltsin's official state visit to the United States and the key event of the first day of the visit—the decision by Yeltsin and U.S. President George Bush to cut three-fold the two countries' arsenals of nuclear weaponry by the year 2003. The sweeping reduction is planned to be carried out in two stages.

This event drew different comments in today's newspapers. The army newspaper KRASNAYA ZVEZDA, for instance, describes the decision on such a large-scale reduction in the nuclear armaments of Russia and the U.S. as "the biggest sensation of the day" and states that "this accord ushers in a new stage in ensuring the security of both countries as well as the entire world."

The independent paper NEZAVISIMAYA GAZETA describes the decision to slash the nuclear arsenals of the two major nuclear powers as "unprecedented." In its view, by this move "Yeltsin and Bush made their meeting historic."

The trade union newspaper TRUD points out that the Russian president's visit "began and is going on in the fundamentally new political climate than the previous 17 top-level meetings between Moscow and Washington leaders" and concludes that "confidence gives birth to decisions."

The newspaper KOMSOMOLSKAYA PRAVDA adopted a more cautious position as regards the two presidents' decision on nuclear weapons. It writes: "It appears that we are abandoning the fundamental principle underlying our relationships in the military field with the U.S.: the parity that was regarded as the main defence shield over several decades. The promptness with which the two countries reached the accord is sure to generate a multitude of mutually exclusive judgements—who is the winner and who is the loser..."

The newspapers SOVETSKAYA ROSSIYA and PRAVDA make harsher statements regarding Yeltsin and Bush's statement on nuclear armaments. SOVETSKAYA ROSSIYA, for instance, believes "the U.S. prods us towards destroying the best part of our arsenal while speeding up the development of qualitatively new types of weapons."

"In the process, in the U.S. they are well aware that our military-industrial complex is agonising in conversion convulsions," SOVETSKAYA ROSSIYA points out.

PRAVDA's correspondent Vladislav Drobkov, in his report from Washington, writes that he does not know how to evaluate the two presidents' decision: "As a historic breakthrough in reducing the two countries' nuclear arsenals, the beginning of a new era in their relationships or as a rash and unjustified concession to Washington and the final loss by Russia of the superpower status." Drobkov thinks the "advantages gained by Washington under the present accord are apparent."

Among the events in the flashpoints on the territory of the former Soviet Union the press singles out the fresh sharp escalation of the situation in Nagorno-Karabakh where the warring parties "have changed roles": Azerbaijan's Army went on the offensive against the Armenian self-defence forces in recent days. It seized twenty Armenian villages. Armenia accused Russia of [word indistinct] according to Azerbaijan an opportunity of making use of military hardware of the former Soviet Army.

In NEZAVISIMAYA GAZETA's view, which comments in greater detail on the developments this region, the situation is being formed where "Nagorno-Karabakh can become a Karabakh front in the great Armenian-Azerbaijan war."

NEZAVISIMAYA GAZETA features an interview with the newly-appointed Dniester Defence Minister Shtefan Kigak who categorically opposed the withdrawal of the 14th Army units from the areas on the left bank of the Dniester. He accused the Chisinau authorities of thwarting peace talks and unwillingness to resolve the conflict by political means.

PRAVDA published answers to the written questions from its correspondent by Oleg Shenin, former secretary of the Soviet Communist Party Central Committee and member of the Politburo of the CPSU Central Committee, who is now in the investigation prison. Shenin rejected the involvement of the CPSU as a political organisation in the putsch of August 19-21 1991. He refused to recognise the events of those days as a putsch, noting that only the court can evaluate them from the point of view of law. He favoured discussing this issue in the Russian parliament.

In an interview with KOMSOMOLSKAYA PRAVDA, Sergey Shakhray, who only recently was Russia's deputy prime minister and state adviser on legal issues, noted that he did not share the Russian president's views on several positions. In this regard, Shakhray said he belonged to the supporters of "more decisive and radical measures to give more strength to state, including executive, authority, enact reforms and combat crime."

Roundup on Agricultural Developments

LD1806074892

[Editorial Report] The following is a compilation of reports on CIS agricultural developments. Sourcelines follow each entry.

CIS

"Experts forecast that about 85 to 90 million tonnes of wheat will be harvested on former Union territory this year and that 26 million tonnes of grain crops will be imported." (Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 16 Jun)

Byelarus

"The Byelarusian Council of Ministers has urged the public to do its utmost to ensure that the harvest of grasses and procurement of fodder for public sector animal husbandry succeeds. The appeal says that the republic is experiencing serious difficulties in producing and procuring animal husbandry products because of the reduced supply of grain from outside Byelarus and the reduced supply of feed for cattle and poultry from within the Republic itself." (Moscow Mayak Radio Network in Russian 0230 GMT 14 Jun)

"The Byelarusian Government has urged the republic's population to participate as actively as possible in harvesting grasses and procuring fodder for public sector animal husbandry and for cattle reared privately by citizens. It appealed for them to mobilize all methods and resources at their disposal. The appeal says that, as a result of drought in many Byelarusian districts, the harvest of grasses is expected to be worse than last year. Furthermore, not all farms have laid in the requisite stocks of nitrous fertilizer. Perennial and native grasses have not been top dressed as fully as they should have been. The Byelarusian Government believes that this could cause a sharp deterioration in the quality of fodder and insufficient availability of feed. In turn, this could lead to a further decline in animal husbandry output." (Moscow Mayak Radio Network in Russian 0400 GMT 14 Jun)

Kazakhstan

"An acute shortage of sugar beet has prompted Kazakh farmers to almost double the sown area for sugar beet. It was not easy to supply seeds to everyone who wanted them, but colleagues from Ukraine and Kyrgyzstan helped. As a result, around 82,000 hectares has been sown." (Moscow Mayak Radio Network in Russian 1100 GMT 11 Jun)

Russia

"Over 200 million rubles is the preliminary estimate of the damage caused by torrential rains which fell on agricultural areas of the Jewish autonomous oblast (Far East). Hundreds of hectares of potato and vegetable plantations have been ruined, some roads have been destroyed, and local power lines have been damaged. The autonomous oblast administration has appealed to the Russian Government for assistance." (Moscow ITAR-TASS World Service in Russian 0600 GMT 17 Jun; datelined Birobidzhan)

Reports indicate that 97 percent of the crops authorities planned to sow in Krasnoyarsk Kray have been sown to date. It is unclear whether it is worthwhile to continue sowing because the crops may not have time to ripen. (Moscow Radio Rossii Network in Russian 0500 GMT 13 Jun)

Frost and wind has "killed many things, including grain crops, shoots, potatoes, and all the vegetables planted" in Buryatiya. "The ninth session of the Supreme Soviet has declared this an emergency situation, and Buryatiya has been declared a disaster area. A special commission will determine the damage and measures to help in the aftermath. First reports indicate that grain crops alone have been hit by frost over an area of 76,000 hectares. Many farms have already begun plowing for second sowing." (Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 11 Jun)

International Affairs

More on Yeltsin, Bush Wahington Summit Meeting

Yeltsin Addresses U.S. Congress

LD1706171592 Moscow Russian Television Network in Russian 1509 GMT 17 Jun 92

[Speech by Russian President Boris Yeltsin to a joint session of the U.S. Congress in Washington, D.C.—live]

[Text] [Lengthy applause] Please do not count the applause against the time of my speech! [laughter]

Esteemed Mr. Speaker of the House of Representatives; esteemed Mr. President of the Senate; esteemed members of Congress; ladies and gentlemen: It is a great honor for me as the first ever popularly elected president in the 1,000 years of Russian history and as a citizen of a great power that has made its choice in favor of liberty and democracy, to speak here at the Congress of a great free land.

For many long years our nations were two poles, two extreme opposites. They wanted to make us implacable enemies, and this affected the destiny of mankind in a most tragic way. The world was shaken by the storms of confrontation. It was close to exploding—to dying beyond resurrection.

Now this devilish scenario is becoming a thing of the past. Reason is triumphing in the fight against madness. The period when America and Russia looked at each other through gunsights, ready to pull the trigger at any time, has ended.

Recalling the well-known American film "The Day After," it can be said today that tomorrow will be a day of peace—a day less of fear and more of hope for the happiness of our children. The world can sigh in relief. The idol of communism that spread social strife, animosity, and unparalleled brutality everywhere on earth, which instilled fear in human society, has collapsed. It has collapsed forever. I am here to assure you we will not let it rise again in our land.

I am proud that the Russian people have found the strength and have been able to cast off the heavy burden of the totalitarian system. I am proud to be speaking here on behalf of a great people who are regaining their dignity. I bow down before the ordinary people of Russia, who have preserved their spirits during the most severe trials and are now undergoing unbelievable deprivations for the sake of the revival of their motherland. Russia has made a definitive choice in favor of civilization, common sense, and the experience common to all mankind. I am convinced that our people definitely will surmount this difficult path. There is no people in the world who could be harmed by the air of freedom, and there are no exceptions to this rule.

Freedom emancipates the mind and fosters original, bold ideas and concepts, but it does not guarantee immediate prosperity and does not grant everybody happiness and well-being. It is especially important for politicians to remember this. The most noble aspirations inevitably will be discarded and consigned to oblivion if they are not continued directly in heavy, everyday work. Our experience of recent years clearly confirms this.

Freedom cannot be deceived. Democracy and a totalitarian system cannot coexist. The market economy and the possibility to command everything and everybody cannot coexist. A civic society that is in its nature pluralist cannot coexist with communist intolerance of different views. The experience of the past decades has taught us that communism has no human face. Freedom and communism are incompatible.

You will recall last August when, for three days, the dark shadow of dictatorship hung over Russia. I addressed Muscovites, the defenders of Russia's White House; I addressed all the people of Russia. I addressed them from a tank whose crew had disobeyed criminal orders. I will be candid with you: at that moment I was afraid, but I was not afraid for myself, I was afraid for the future of democracy in Russia and throughout the world. I knew what could happen if we failed to win. [applause]

The citizens of Russia defended their freedom and did not allow the 75-year nightmare to be repeated again. From this high rostrum I want to express our sincere thanks and gratitude to President George Bush and to the American people for their invaluable moral support at that time for the just cause of the people of Russia. [applause]

Last year the citizens of Russia passed another difficult test of their maturity. We were able to overcome the feeling of vengeance in us and the intoxicating craving for summary justice over the fallen colossus known as the CPSU. History did not repeat itself. The party citadel next to the Kremlin, the communist Bastille, was not destroyed. There was not even a hint of violence against communists. People simply brushed off the venomous dust of the past and went about their business. There were no Russian lynch-law trials. The activities of the Communist Party over many years have now been referred to the Russian Federation Constitutional Court. I am confident that its verdict will be fair. [applause]

Russia has seen for itself that any delay in strengthening freedom and democracy can throw society back. For us, the ominous lessons of the past are relevant today as never before. It was precisely in a devastated country, with an economy that had been bled to death, that Bolshevism succeeded in building a totalitarian regime, creating a gigantic war machine, and launching an insatiable military-industrial complex. This must not be allowed to happen again. That is why economic and political reforms are the primary task for Russia today.

We have to deal with the problems that no one before has ever had to deal with at one time. We must carry through

unprecedented reforms in an economy that over seven decades was stripped of all free market mechanisms, establish the foundations of democracy, and restore the law-governed state in a country that for decades was poisoned with social confrontation and political oppression. During the reform period, we must guarantee social and political stability in the country and preserve civil peace. We have no right to fail in this most difficult task; we do not have another chance like in sports. Our predecessors have used them all up. That is why the reforms must be carried through against all odds.

I am given strength by the support of the majority of Russian citizens. The people of Russia already have realized that there is no alternative to reforms, and this is very important. Of course, it is not easy for me, as for everyone else in Russia. It is not easy, it has been hard on my personal life as well, but in everything I do, I have the reliable support of my wife and of my large family.

Today I am telling you what I tell my fellow countrymen: I will not go back on the reforms, and it will be practically impossible to replace me until 1996. I am in good health and will not give up until the reforms become irreversible. We realize our enormous responsibility for the success of our transformations—not only to the Russian people, but also to the citizens of the United States of America and all of mankind. The freedom of America today is being upheld in Russia. Should the reforms fail, it will cost hundreds of billions of dollars to somehow compensate for this failure.

Yesterday an unprecedented agreement was achieved on making deep reductions, in two stages, in strategic offensive armaments. They will be reduced not by 30 or 40 percent as was the case before, and that took 15 years to negotiate. They will be reduced to less than one-third of today's strength from 21,000 warheads to between 6,000 and 7,000. It has taken us only five months to negotiate this. All of the work will be carried out by the year 2000. I greatly hope that Bush and myself will still be alive then.

We simply have no right to bury this unique opportunity. The more so since today the fate of nuclear weapons and of the Russian reforms designed to remove forever the possibility of a totalitarian dictatorship in Russia are so dramatically interrelated. I state to you that we have the firm determination and the political will to move forward. We have proved that by what we have done.

It is Russia that has put an end to imperial policies and was the first to recognize the independence of the Baltic republics. Russia is a founding member of the Commonwealth of Independent States, which has averted uncontrolled disintegration of the former empire and the threat of a general interethnic bloodbath. Russia has granted real rights to its autonomous components. The Federation Treaty has been signed and our state has escaped the fate of the Soviet Union. Russia has preserved its unity.

It was Russia that substantially slowed down the pace of militarization and is doing all it can to stop it altogether. I am announcing with full responsibility that without waiting for a treaty or an agreement to be signed, we already have begun taking off combat alert [snyatiye iz boyevogo dezhurstva] the heavy SS-18 missiles targeted on the United States of America. The Russian defense minister who is present here will confirm that.

Russia has brought its practical policies toward a number of countries in line with its solemn declarations of recent years. We have stopped arms deliveries to Afghanistan, where in the meat grinder of this senseless military adventure, thousands of Russian citizens and Afghans have perished. With its external props removed, the puppet regime in Afghanistan has collapsed. We have corrected the well-known imbalances in relations with Cuba. At present, that country is one of our Latin American partners. Our commerce with Cuba is based on a universally accepted, mutually beneficial basis and is in line with world prices. It is Russia that, once and for all, has done away with the practice of double standards in foreign policy. We are firmly resolved not to lie any more, either to our negotiating partners or to the Russian or American or any other people. This practice is finished with forever.

The same applies to biological weapon experiments and the facts that have been revealed about American prisoners of war, the [shooting down of the] Korean Boeing jetliner, and many other things. That list could be continued. The archives of the KGB and the former Communist Party Central Committee are being opened. Moreover, we are inviting the United States and other nations to cooperate in investigating these dark pages of a former empire.

I promise you that each and every document in each and every archive will be examined in order to investigate the fate of every American unaccounted for. As president of Russia, I assure you that even if one American has been detained in my country and can still be found, I will find him—I will get him back to his family. [applause]

I thank you for the applause. I could see everybody rise, but some of those who rose had stated in the American press today that until Yeltsin finds the last American and [discloses] his fate, we should wait about adopting the Freedom Support Act. How should one understand this? It was said earlier that this issue did not exist. Yeltsin has opened archives, extended an invitation to work together with an American commission and investigate the fate of each American, but now he is being warned: No, first you should do this job and then we will decide and adopt the Freedom Support Act. This is incomprehensible to me. [applause]

We have undertaken new, real steps to make contacts between Russian and foreign business circles substantially easier. A legislative document has been published in accordance with which those foreign citizens who are privatizing specific facilities or structures in our country also will become owners of the land on which they are situated. A legislative act on bankruptcy has been

adopted. The mandatory sale of currency to the state at artificially low exchange rates has been abolished. We are prepared to bring our legislative practices as close as possible to international ones—naturally on a basis of symmetry with each country. We are inviting American private capital to the unique and little developed Russian market and saying: Do not be too late! [laughter, applause]

Today, when the period of global confrontation has ended, I call upon you to take a fresh look at the United States' present policy toward Russia and also to take a fresh look at the prospects for our relations. Russia already is different, but, I will be frank, sometimes some people in your country still use the concepts and methods of the previous policy. Sometimes the old approaches brought into being by a different era are artificially imposed on new realities. True, that applies equally to us. Let us together learn to resolve differences on the most effective, democratic basis—as partners. This is in the spirit of both the American and Russian character. If this is done, many of the problems that are now impeding mutually advantageous cooperation between Russia and the United States will disappear, including legislative issues. It will not require useless sacrifices, but, on the contrary, it will allow both your problems and our problems to be resolved more effectively. First and foremost, it will create new jobs in Russia—as well as in the United States. History is giving us a chance to fulfill President Wilson's dream; namely, to make the world safe for democracy. [applause]

More than 30 years ago, President Kennedy addressed these words to humanity: My fellow citizens of the whole world, ask not what America can do for you, ask what we all together can do in the name of man's freedom. I believe that his audacious call to go together along the path of creating a democratic world is addressed above all, to our peoples, to the people of America and the people of Russia. Partnership and friendship between two major democratic states in order to strengthen democracy indeed is a great goal. [applause]

Entering the world community, we wish to preserve our individuality, the particularities of our nature and our history, to develop our culture, and strengthen the moral bulwarks of the people. The warning of Berdyayev, the great Russian philosopher, that the denial of Russia in the name of mankind is the robbing of mankind, is close to our hearts.

However, to the same extent, Russia does not aspire to change the world in its own image and likeness, nor to impose or coerce, but to share generously and to exchange experience, spiritual values, and heart-felt warmth. This is the fundamental principle of the new Russia. It is the tradition of the Russian people to repay kindness with kindness. This is the bedrock of Russian life, the underlying truth taught by our great Russian culture.

Free democratic Russia will preserve its commitment to this behest. Today, free democratic Russia is extending the hand of friendship to the American people. By the wish of the people of Russia, I am inviting you, and through you, the people of the United States, to embark on the path of partnership in the name of freedom and justice in the 21st century!

Of course, the passing by Congress of the Freedom Support Act, which we are awaiting so eagerly, could become the first step in that direction. Today legal acts promoting reforms mean much more than injections of dollars. May I express the hope that the U.S. Congress, advocate and defender of freedom, will remain faithful to its strategic course on this occasion as well.

Esteemed members of Congress, every man bears the stamp of his own time. No exception is ever made for anyone, whether an ordinary citizen or the president. Much has been experienced and much has been reassessed.

I would now like to conclude my statement with the words from a song by Irving Berlin, an American composer of Russian descent: God bless America—to which I add: and Russia.

Yeltsin Meets Businessmen, Reviews Reforms

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[By ITAR-TASS correspondents Pavel Vanichkin and Andrey Shitov]

[Excerpts] Washington, 17 Jun—The Presidents of Russia and the United States spoke on the morning of 17 June at a bilateral conference of business circles in Washington's Marriot Hotel. [passage omitted]

Russian President Boris Yeltsin, in reply to the speech given by President Bush, said: Mr. President, Madam Secretary, ladies and gentlemen: I would like to start by saying a few words about yesterday. Indeed, the agreement we reached yesterday will change the psychological climate, not only in the United States and Russia but also throughout the world. The global reduction in strategic weapons on which we agreed yesterday would have been inconceivable a year or even two years ago, never mind earlier. This is an unprecedented decision. Nevertheless, trusting one another and confident that Russia has embarked upon the democratic path of development and the market economy, we were brave enough to make this decision yesterday. I believe that our trust in one another, the trust that we have developed recently, over the last five months, no doubt played the main role in our decision. And I am grateful to Mr. Bush for showing yesterday that he is a man of principle and wisdom. Yesterday we did not try to outplay one another. We looked for the way to ahieve the lowest possible level in strategic nuclear weapons on both sides, and we agreed to cut them down to a third. This will no doubt require more investment and will also mean that

we will have to create additional jobs. After all, work and brains are required to assemble a missile—and the same is required to dismantle it as well.

I am sincerely pleased to have the opportunity to meet with representatives of American business. America's experience is a great example to today's Russian reformers, entrepreneurs, young businessmen and those who are still learning big business. Thanks to a system of free enterprise, America has created a powerful economy and has provided freedom and high living standards for its citizens. Frankly speaking, we link the success of Russian reforms primarily with the development of private business. Perhaps we will be able to receive a credit of $24 billion through the IMF. However, this is only a half-opened door, beyond which the future lies—powerful private business will be provided with a safety net, as it were. I am convinced of that. And it will be measured not by tens but hundreds of billions.

We highly appreciate the help which the international community is giving our country. However, Russia's return to the world community can be based not on help, but only on mutually advantageous cooperation. Russia began large-scale economic reforms in January 1992. Our main task is to create the fully fledged institutions of a market economy. Naturally, this has proved difficult. As recently as a year ago each enterprise in our country was shackled by administrative restrictions. Today, not a trace remains of the majority of the administrative restrictions. Please, note the figure—90 percent of the output manufactured by enterprises in Russia is distributed in accordance with market laws. The ideas which are close and clear to any producer—free enterprise, free trade, free prices—are returning into the country. The destruction of the command economy has become irreversible, I am convinced of that, as president. I am not going to give up my positions until 1996, at least, when all the processes leading to Russia's adoption of the civilized path of market economy relations, democracy, and human freedom have already become absolutely irreversible.

Despite extremely harsh reform measures, businessmen, farmers, employees of the incipient private sector and a considerable part of the state sector labor collectives have not only experienced the bitterness of the crisis, but also the real benefit of economic freedom and working for oneself. A sense of value, lost three generations ago, is returning to Russians. Unfortunately, it has been wiped from the memory of even the third generation.

For this reason it has been necessary to take resolute measures, sharply cutting the state budget deficit, raising the interest rate on credit and, with the help of prices, bringing the amount of money into line with the amount of goods. Now the ruble itself is becoming a scarce resource. At the same time the first stage of reform has had negative consequences. The fall in production continues. Whole sectors of the economy are confronting the threat of dying out. The living standard of millions of citizens is falling. Poverty is developing.

However, speaking about the 10 percent drop in industrial production this year, one has to bear in mind that the military industrial complex, i.e. the defense enterprises, cut arms production this year by 20 percent. Therefore, the drop occurred primarily at the expense of the military industrial complex, as the Army purchased only 60 percent of the military output produced by our defense enterprises this year. If one does not note and does not take into consideration these factors in economic policy, then a social explosion is unavoidable, which will bury the reforms. Whilst maintaining the course we have set, we are seeking to reinforce our efforts toward liberalization and macroeconomic stabilization with an effective industrial policy. It is addressed at specific enterprises and industries with specific problems, i.e. from macroeconomic policy we are switching to microeconomic policy.

A presidential decree on bankruptcy has just been adopted. This document sets up a mechanism which will allow the reconstruction of enterprises finding themselves in a difficult financial position. There are currently tens of thousands of such enterprises in Russia, and they owe millions. The decree places state enterprises under the same financial regulator as the one operating in the private sector. This will become the most important instrument in their reorganization, which is being embarked upon, particularly since at the present time they account for more than 90 percent of production.

Since the beginning of the 1930's, private ownership in our country has lain outside the law and has even been completely destroyed. Only now is this most basic foundation of a healthy economy beginning to re-emerge. I give you my word that it will occupy a worthy place in the Russian economy.

The government of the country considers the privatization of state property one of the most important ways for its activities to progess. We have been a little slow in this respect, in that the law on privatization was not adopted, and the Supreme Soviet's program was not confirmed. Now both of these have been adopted, and a broad privatization process is taking place. Today it is primarily small-scale privatization—shops, workshops, small enterprises, the processing sector, and so on, but we are already on the threshold of large-scale privatization.

On my return from Washington I will sign a decree on the transformation of state enterprises into joint-stock companies. Intensive preparations are underway for the issuance of a voucher system. This will enable practically all Russian citizens to become involved with privatization by the end of the year, making this process irreversible.

One of the conditions for the success of our reforms is the development of cooperation with the international community. Undoubtedly, this is not only of benefit to us. We see in this rich possibilities for the West as well.

Russia could become one of the centers for the stabilization of the world order—not only in the political but also in the economic sense. I will list several basic areas. The international economy needs great stability.

Our country could become one of the alternative sources for fuel and energy resources. We have huge reserves of oil, reserves of gas—a confirmed 350 trillion cubic meters, which at the present time is sufficient for our needs for 200 years; all we need to do is tap them. We have huge reserves of timber and a number of nonferrous metals, gold, diamonds, and other things. It is in connection with this that the issue of attracting American investment and technology into the working of our mineral deposits, primarily oil, on a mutually beneficial basis is a topical one.

I should further inform you that the law on collateral has been adopted, which also provides great possibilities for private foreign investors in collateral to take part in working various mineral deposits. We are prepared for this, and we are interested in seeing the energy sector opened up to foreign investment as soon as possible. At the moment, intense preparations are underway on two major projects for exploiting the Shtokmanovskoye gas deposit and the Sakhalin Island shelf. In the near future, the Russian Government will propose puting out to tender three major oil deposits: Nizhneobskoye, Sakhalinskoye and Novoprotorskoye, which have a combined capacity at the level of 2.5 billion tonnes of oil.

The Russian economy is, of course, currently going through a crisis. However, we have sufficient scientific and technical potential to propose cooperation in other sectors as well. We can supply the world market with many types of products for heavy industry and defense industries, moreover, at very competitive prices for our partners.

Yesterday, with Mr. Bush and Ms. Franklin, I discussed the issue of why American entrepeneurs, industrialists and businessmen here cannot obtain the cheapest uranium from Russia, because the law impedes this—a 116 percent customs duty is in place. I told Ms. Franklin: It's ungodly, yet you are a believer.

The conversion of technological concerns producing military equipment opens up quite a few possibilities.

Russia has more than 100 million hectares of arable land alone. Even today we are receiving proposals from American firms to jointly organize agricultural production in Russia. Foreign technology could become the basis for this. Several American banks are ready to finance such projects. Mr. Corrigan (President of the Federal Reserve Bank, New York), whose group has been working in Russia for a considerable time already, is currently working with me on the reform of the banking system and the establishment of a special American-Russian Investment Bank. We are interested in developing cooperation in this sector in a dynamic fashion using the world-renowned achievements of American agriculture and the priceless experience of our farmers.

In Russia there are 1,700 scientific research institutes, 500 higher educational establishments, and 800 design and planning and technological organizations. Our scientists have achieved considerable results in a number of applied fields of science and fundamental research, there is considerable room for cooperation with the institutes and companies of the United States and other countries. U.S. Vice President Quayle and I this morning discussed questions of joint conquest of space. Truly unimaginable horizons are opening up if we combine your unique experience in the conquest of space with ours. Having joint programs, we would save expenses two-fold—there is no need to invent the bicycle both in our country and yours. It is now necessary to give up ideological dogmas and the effort to outstrip the Americans by hook or by crook by half a day to make a moon landing or a splash-down somewhere. No, there will be none of that kind of competition from now on; we will conquer space together.

Here, broad scope is open for cooperation with the institutes and companies of the United States and other countries. Speaking overall, Russia, having returned to the international economic system, will become a huge and steadily growing market for American and other foreign goods and technologies.

Yes, this year we are having a difficult time, but in the coming years of stabilization there will be a mighty upsurge in Russia. The reserves of the Russians, of Russia, are such that you simply cannot imagine what it will be like when they have been emancipated from communist slavery and they are working freely. Possessing such subterranean riches, possessing intelligence, intellectual potential, scientific experience and skillful hands, Russia will go forward mightily.

Foreign private investments, potentially to the value of hundreds of billions of dollars, could be advantageously placed in our country. Its existing scientific and industrial potential, its natural resources, the fairly high level of qualification of its manpower, and its low labor costs by world yardsticks are a unique combination of factors creating the prerequisites for obtaining high profit. I was even saying today with Mr. Quayle that joint private companies need to be set up for the development of space—private companies, not just state ones.

Russia is actively working on creating a legal mechanism to protect the involvement of foreign entrepreneurs in our economy. A law has been adopted on foreign investments. It guarantees them protection against expropriation and ensures their entitlement to repatriate profit obtained in Russia. Under this law the economic conditions for foreign enterprises cannot be less favorable than those for Russian enterprises. That is our rule.

Work is now being speeded up to prepare and make additions to the laws on ownership and foreign investments and to the land code. A new version of the Russian

Federation's civil code is being prepared. The drafting of laws on concessions and on free economic zones is proceeding at a fast pace.

The lack of clarity on the private land ownership issue is making many foreign businessmen refrain from investments in Russia's economy. In order to speed up a resolution of the land problem I have availed myself of the right given me by the fifth Congress of People's Deputies to issue decrees which indeed do not have to accord with the law. If within seven days the Supreme Soviet does not contest the decree [ne poymayet takoy ukaz], it acquires the force of law. In this respect I signed a decree on the sale of plots of land to foreign private investors as private property during the privatization of state enterprises. The Supreme Soviet did not contest the decree within seven days. The decree is now law.

In this way, rights to real estate are being transferred to the new private owners of privatized enterprises or enterprises under construction, and it is unimportant if they are foreign citizens or our own. On the eve of my departure for Washington, I signed a document precisely regulating the procedure. The government drew up a model draft agreement on the protection of investments and the avoidance of double taxation. Such agreements have already been concluded with a number of countries. The first experience also exists of concluding an agreement on insuring investments in Russia. This is the well-known agreement with America's OPIC [Overseas Private Investment Corporation] Insurance Corporation.

The government is examining the matter of tax incentives for foreign investments in priority areas of Russia's economy. I have submitted to the Supreme Soviet a draft law on halving the taxation on foreign investments in priority spheres. As world and domestic prices for the main kinds of output, above all energy resources, even out, further steps will be taken to liberalize foreign economic activities. They include the lowering of customs tariffs, a reduction in the sphere of operating and licensing practice, and the real freeing from customs duties of the output produced by foreign enterprises and enterprises with foreign involvement, that is, joint enterprises, themselves. The government is proposing to completely give up the collection of export tariffs, except those for gas, in 1994.

At the same time, the Russian Government has adopted a number of decisions aimed at a speedy introduction of the convertible ruble. We are trying to ensure that, as of 1 July, the ruble becomes a universal means of payment in the territory of Russia. In the near future, foreign currency will be withdrawn from circulation on the domestic market and the ruble will become the only means of payment. Exporting enterprises will be obliged to sell 50 percent of their currency earnings on the currency market. Later on, all the earnings from exports will be sold in this way. As a result, our currency market will acquire enough capacity and liquidity to ensure a genuine exchange rate. This will create economic guarantees for foreign investors, as they will be able to easily exchange the rubles they earned on the Russian market for hard currency. A single exchange rate will be introduced for the ruble.

I want to dwell on prospects for investment in the Russian mining industry. Work on the president's draft decrees is now being carried out. They will open up opportunities for direct foreign investments in the development of inefficient and small oil and gas deposits. There are tax benefit provisions for export of associated gas.

I know and appreciate the pragmatism of Americans. I am a pragmatist myself, and in the past I worked in production. I hope that business circles and the American Government will not waste time and get involved in the development of the enormous potential of mutually beneficial Russian-American cooperation.

For most of the 20th century our country followed its policy of isolationism. Throughout decades, artificial restrictions were imposed on business relations between our countries. Now we have fully realized that that path has no future. Many apparently unsurmountable barriers are now coming down. On a reciprocal basis we are ready to scrap completely the remaining obstacles which are still in the way of free contacts between Russia and America. We are in favor of the broadest possible exchange of ideas, specialists, goods and capital. That is the only way in which peace and prosperity of the peoples of the globe can be ensured for many centuries.

I will say it once more: Do not delay breaking into the unique Russian market in 1992-93. If you wait, you will be too late. The opportunity will be taken by someone else.

White House News Conference Held

LD1806050792 Moscow ITAR-TASS World Service in Russian 2304 GMT 17 Jun 92

[By unidentified ITAR-TASS correspondent]

[Excerpts] Washington, 18 Jun—The U.S. and Russian presidents answered correspondents' questions after delivering introductory statements at a White House news conference on 17 June:

[Question] "President Yeltsin, I have a question about the POW's and MIA's. Do you think that Mikhail Gorbachev or any of his predecessors—right up to Stalin, Khrushchev, and Brezhnev—knew anything about the possibility of forcibly detaining Americans? Also, why do you intend to meet Governor Clinton (U.S. Democratic Party presidential candidate)? Do you want to insure yourself before November against any possible result?"

[Yeltsin] "The fact of the matter is that they knew; the fact of the matter is that they hid this; the fact of the matter is that the era when we hid the truth from each

other has ended. We will now tell each other the truth openly, straight in the eye. We will never play a double game."

[Question] "What about Clinton?"

[Yeltsin] "I meet him at 0730. We will get acquainted. Furthermore, Russia will respect the choice of the U.S. people."

[Question] "Mr. Yeltsin, you said that you intend to publicize the facts on the Korean passenger liner. Our newspaper has been investigating this for several years now. We have already brought a great deal to light and now would like to know who specifically bore responsibility for the incident. What can we expect?

"Mr. Bush, I would like to know to what extent the U.S. Administration will further that?"

[Yeltsin] "You know that on 20 August last year, at approximately 1800, when it was clear that the putschists had lost, we seized the KGB and former CPSU Central Committee archives and placed our militarized guard there. They managed, however, to take some of the archives away in a car and destroyed them a few hours before that. It is not known which documents were involved. Of course, all of these archives are being checked. We stumbled upon one document which could be the beginning of the chain which may lead to the complete elucidation of the Korean Boeing tragedy. The document is a KGB memorandum to the CPSU Central Committee saying that such a tragedy took place, etc., and that there are documents explaining the entire picture. The following line comes next: These documents are hidden so well that it is unlikely that those who come after will be able to find them. Our task is to try to find these documents through the work of commissions checking all the KGB and former CPSU Central Committee archives. If we do find them, I hope that we will publish them honestly without fail. I will telephone Mr. President first and you afterward." [passage omitted]

[Question] "Mr. Yeltsin, reaction to your speech in Congress has exceeded all expectations. How do you think the Russian parliament will react to the documents and agreements signed here today?"

[Yeltsin] "I think the Russian parliament reflects—or should reflect—the Russian people's opinion. The agreements, charters, and treaties that have been signed are an encouraging step toward improving life in Russia and toward progress in implementing reforms. It would be a crime against its own people not to support them. I feel sure that the Supreme Soviet will support what we have signed."

[Question] "Mr. Yeltsin, here, in Washington, there is still some confusion about the issue of POW's and MIA's. Is there any specific information that you have found in the archives? This is a very sore point for the United States, and people are asking whether there is factual evidence. Is there some sort of chain or trace?"

[Yeltsin] "Are you asking about the Korean aircraft or about POW's? I reported everything we have on POW's in a letter to the senators. Yesterday, however, we made yet another step forward. President Bush decided to set up his part of a commission. This will be a joint commission with joint chairmen, including General Volkogonov, a history professor who has conducted this work over a lengthy period of time and who—and this is most important—is a very honest person.

"The chairman on the U.S. side side will be Mr. Toon, former U.S. ambassador to the former Soviet Union. I think that by their joint efforts they will progress more rapidly in revealing the whole picture in its entirety." [passage omitted]

[Question] "Mr. Bush, do you think that what Yeltsin said about the problem of POW's and MIA's makes it less poignant? What are the prospects for the aid program for Russia which is now being examined by Congress?"

[Yeltsin] "You had the chance to ask the former president of the former Union that question and why he concealed that issue. I cannot answer for him."

[Bush] "Good answer." [passage omitted]

[Question] "Mr. Yeltsin, how do you think this visit will be significant to ordinary Russians?"

[Yeltsin] "I think that the talks themselves and the documents—37 documents will be signed, including the seven which President Bush and I signed and those the premiers, vice premiers, and foreign ministers are signing—each of them benefits the Russian people. Freedom, our economic interests, etc., are not encroached upon anywhere in them. Our interests are considered everywhere. I am grateful to President Bush for such an approach and for understanding that unless measures are taken now to support reform in Russia, if it fails, it will not only mean failure in Russia but also mean freedom in the United States has failed. There would be trillions of new dollars for the arms race, and there would be dictatorship in Russia. This is what must be averted; this is inadmissible. Therefore, I reiterate that every document benefits the Russian people. I would say that is a broad path toward improving the population's living standards." [passage omitted]

[Question] "Mr. President, what are the alternatives if Congress does not adopt this aid bill?"

[Bush] "I think they will adopt it. This is too hypothetical a situation."

[Yeltsin] "Of course, I think the $24 billion in IMF credit is important. This is a civilized path for any state, all the more so for Russia in such a difficult reform period. The $24 billion, however, won't save Russia and won't even alleviate the situation materially. It may have an affect upon the stabilization of the ruble or upon the convertibility of the ruble in July. The most important thing is that after the IMF decides this question, it opens

the gates for a mighty influx of private foreign capital. This is where there are large sums. After all, this is not credit but direct investment from private firms. Mr. Bush and I met U.S. businessmen, and they understand that well enough. This concerns other countries, too. There are hundreds of thousands of millions there. This will be very substantial aid which, moreover will be direct and civilized. This will strengthen our private sector, and this is what we want."

[Question] "A question to both presidents: You have achieved truly good results at this meeting. What couldn't you or haven't you managed to achieve? What do you feel should be the next point on the agenda? Perhaps the next summit?"

[Yeltsin] "In addition to issues reflected in the documents, we discussed many issues not reflected in the documents. There was also over one hour of business on the launch. We examined various problems to be decided at the next stage. I hope that the U.S. President will accept my offer and pay an official visit to Moscow at year's end. I am sure that a serious package of documents will be prepared jointly at the next stage." [passage omitted]

[Question] "A few minutes ago, you referred to a document you found concerning the Korean passenger liner's destruction. Can you report details on the POW problem so that Americans can understand why you think POW's could have been sent to Russia and why you think some of them could still be alive?"

[Bush] "I will say no, and then I will give President Yeltsin the opportunity to reply to the first part. There isn't anything to which my attention would have been drawn."

[Yeltsin] "We are prepared to present all the documents on what is known to date, about which I briefed the Senate. If anything else is found, we will present everything, to the last document. There won't be any secrets here; we promise that, all the more so since a joint commission will work on the question in the archives."

[Question] "Can you tell us what you have already discovered?"

[Yeltsin] "The most important thing is that we now know the general picture as far as numbers are concerned: how many there were on Russian territory; how many are left; in which camps U.S. POW's were kept; and from which war—i.e., World War II, the Korean war, or other incidents. This picture is clear. We know who has died and who has been buried. We still do not know the definite number of individuals who do not fall into any category. There is simply no information on them. Therefore, we hope that some of them are still alive on Russian territory. This bilateral commission is tasked with finding these documents and using them to find the remaining individuals." [passage omitted]

[Question] "What ought to be done in Russia to facilitate the lending of aid?" [passage omitted]

[Yeltsin] "In my assessment, the likelihood of support (on the part of the United States) is nine out of ten. This is what we have achieved."

[Bush] "I share this point of view."

[Question] "President Yeltsin said that you do not want to force anyone to join you. However, now that you have gone this far along the disarmament path, shouldn't certain U.S. allies cut their own nuclear arsenals radically?"

[Yeltsin] "The fact of the matter is that I discussed the nuclear question in detail with the leaders of France and Britain during visits to those countries. I personally came to the conclusion that, on the whole, we were discussing these questions in vain. The numbers are absolutely incommensurate. Both our countries have 21,000 strategic warheads; Britain has 100 in all, let's say. Is there any point in us arguing here? All the more so since with such a global lowering of the level of our arms, the general situation in the world is forcing them to lower the level of their strategic arms, too. Their peoples demand that. France has five submarines, and we have hundreds. What is there to compare?" [passage omitted]

'Text' of Friendship Treaty

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[Text] Washington, 18 June. (ITAR-TASS)—The full text of the Charter of Russo-American Partnership and Friendship signed by Presidents B. Yeltsin and G. Bush on 17 June follows below:

The Russian Federation and the United States of America, striving to provide a reliable and durable basis for Russo-American relations of partnership and friendship;

Thinking that the growth of the well-being, the flourishing and security of the democratic Russian Federation and the United States of America are vitally interlinked;

Stating their resoluteness to adhere strictly to democratic principles and practices, including the supremacy of the law and respect of human rights and basic freedoms, including the rights of individuals belonging to minorities;

Recognizing the significance of the rights of the individual in the creation of a just and flourishing society;

Affirming their adherence to the aims and principles of the Charter of the United Nations Organization, the Helsinki Final Act, and the subsequent documents of the CSCE;

Wishing to build a democratic world that unites the whole community of democratic states;

Noting their particular responsibility as permanent members of the UN Security Council for upholding international peace and security;

Wishing to further the development of free market relations, economic revival and growth, and also close economic cooperation, commerce, and investment;

Have drawn up the following Charter of Russo-American Partnership and Friendship:

Democracy and Partnership

The Russian Federation and the United States of America affirm their adherence to the ideals of democracy, to the supremacy of the law and legality, to respect for human rights and basic freedoms. The United States of America fully supports the efforts of the Russian Federation to create a democratic state and society founded upon the supremacy of the law and respect for basic human rights. Proceeding from mutual trust and respect as the basis of mutual relations, they are developing relations of partnership and friendship.

The Russian Federation and the United States of America will cooperate closely on the international arena in the interests of the advancement and the protection of common democratic values, human rights, and basic freedoms.

The Russian Federation and the United States of America intend to expand and step up multilateral dialogue on various levels both on bilateral and international problems.

Taking into account the most important significance of contacts between the president of the Russian Federation and the President of the United States of America for determining the fundamental directions of bilateral relations, and also in the context of global cooperation and stability, summits will be held on a regular basis.

The Russian Federation and the United States of America express their determination to further the strengthening of trust and the deepening of mutual understanding between their peoples. They proceed from the premise that the expansion of contacts between citizens will help to guarantee the irreversibility of the new quality of Russo-American relations.

To this end they intend to further the regulation of direct contacts between citizens and also between political, public, trade union, religious, and other organizations.

The Russian Federation and the United States of America are ready to further the work of their diplomats, journalists, businessmen, scientific personnel, and other citizens through reaching an agreement on opening up their territories for travel, lifting other restrictions on travel, and expanding consular institutions.

The Russian Federation and the United States of America devote particular attention to the development of the relevant contacts at all levels of state administration—federal, regional, and local—and also between representatives of the private sector and public organizations.

The United States of America intends to continue to cooperate with a view to strengthening democratic institutions and to constructing a law-governed state in the Russian Federation, including an independent legal system and the creation of a mechanism of guarantees of the observation of the rights of the individual.

International Peace and Security

The Russian Federation and the United States of American affirm their determination to build a democratic world, based upon the twin foundation of political and economic freedom. The Russian Federation and the United States of America recognize the critical significance of the success of democracy in Russia and other former Soviet republics for international peace and security.

The Russian Federation and the United States of America, on the basis of mutual trust, respect for and a common adherence to democracy and economic freedom, affirming the Camp David Declaration of February 1992, the Paris Charter of November 1990, the communiques of the North Atlantic Cooperation Council adopted in December 1991, March and June 1992, and also the communique of the conference of the Ministers of Defense of April 1992, once again state that they do not regard each other as adversaries and are developing relations of partnership and friendship.

In accordance with the Charter of the United Nations and other treaty obligations, the Russian Federation and the United States of America affirm their obligations to resolve disputes between themselves by peaceful means and to refrain from the threat of force or its use against each other's territorial integrity and political independence.

Basing themselves on common democratic values, the Russian Federation and the United States of America will unite in their efforts with a view to strengthening international peace and security, to averting and settling regional conflicts, and also to deciding global problems.

Working in the interests of achieving a democratic world, the Russian Federation and the United States of America realize that the end of the "cold war" has not led to the cessation of instability and conflicts in Europe. Tension between the nationalities, territorial disputes, and international rivalry are already threatening to turn the nascent prospect of achieving peace into a new phase of shocks on the European continent.

The Russian Federation and the United States of America affirm their respect for the independence, sovereignty, and existing frontiers of the CSCE participant-states, including the new independent states, and recognize that changes in frontiers can only take place by

peaceful means and on the basis of accord in line with the norms of international law and the principles of the CSCE.

Like other countries of the Euro-Atlantic community, the Russian Federation and the United States of America cannot agree with Europe entering a new period of instability. Therefore, they intend to propose support and their leading role in the efforts aimed at ridding this community of tragedies like those that have befallen Yugoslavia. It is clear what should be done: It is necessary to work out and to strengthen the international means of collective interaction with a view to promoting the prevention of conflicts by addressing the causes giving rise to them; with a view to promoting the settlement of disputes before they acquire a violent character; with a view to promoting mediation in putting an end to conflicts no matter where they arise; with a view to promoting the maintenance of peace immediately after it is established.

Therefore, the mechanisms for averting, controlling [kontrol], and settling conflicts should be strengthened, as should the possibilities for maintaining peace in Europe, if we want to cope with future crises in an appropriate manner. To these ends, the Russian Federation and the United States of America support the following initiatives:

—The institution of the post of special CSCE envoy in order to help increase efforts to decide questions connected with interethnic tension and the attitude to minorities.

—The strengthening of resources within the CSCE framework aimed at guaranteeing the more effective prevention, control [kontrol], and settlement of international disputes.

—The creation of a sufficiently strong Euro-Atlantic peace-keeping potential, based on the political authority of the CSCE, which would allow the use of the possibilities of the NACC [North Atlantic Cooperation Council], NATO, and the WEU to prepare, support, and manage operations under the aegis of the CSCE, and would also allow each of the participating states of the CSCE to allocate armed forces and resources.

Taking account of the indivisibility of the security of North America and Europe, the Russian Federation and the United States of America support the strengthening of the Euro-Atlantic community, being convinced that security is indivisible from Vancouver to Vladivostok. The sides are united in their view of the Euro-Atlantic community as being open for cooperation with all democratic countries. The important role of such organizations as the NACC, NATO, and the WEU alongside the CSCE, especially promote Euro-Atlantic security. The potential is also noted of other institutions and mechanisms, including the Commonwealth of Independent States, in maintaining security and peace in this region.

The Russian Federation and the United States of America proceed from the fact that the strengthening of trust and stability in Asia and the Pacific region in cooperation with other states will also promote global security. The sides are ready to interact in reaching these goals. They are striving for a more complete utilization of the potential for trading and economic cooperation in this region of the world, particularly taking account of the geographical position of Russia and the United States.

Noting the advance in the settling of chronic conflicts, the promoting of democracy and human rights, and the strengthening of economic freedom and prosperity in the extensive regions of Latin America, Africa, and Asia, the Russian Federation and the United States of America emphasize the need to continue this process. Both sides are ready to contribute to the utilization of the new potential for peace, to the ending of conflicts, to the strengthening of mutual trust, and to the deepening of democracy, which constitute the foundation for lasting peace in all regions of the planet.

With the aim of coordinating crisis prevention measures, the Russian Federation and United States of America acknowledge the very great importance of maintaining open channels of communication and exchanges. The Russian Federation and United States of America acknowledge the importance of the UN Security Council and intend to maintain contacts with the other members of the Security Council with the aim of averting, monitoring, and settling crisis situations. The Russian Federation and United States of America acknowledge the important role of the United Nations Organization in dealing with major international problems. They welcome, in particular, the UN's contribution to peace and security, including the stepping up of the UN's peace-keeping functions.

The Russian Federation and United States of America are prepared to work together with the aim of ensuring further arms control and disarmament with the intention of promoting stability by means of implementing treaties, together with all the sides involved, on conventional armed forces in Europe and on strategic offensive weapons reductions and limitations, as well as through the enactment of corresponding unilateral response initiatives in the nuclear weapons field. The sides firmly intend to discuss further steps that could increase stability and lead to further nuclear and conventional weapons cuts, the elimination of chemical weapons throughout the world, and the promotion of confidence-building crisis prevention measures.

The Russian Federation and the United States of America are ready to cooperate on issues concerning the elimination of nuclear warheads and chemical weapons that are subject to destruction under treaty commitments, as well as unilateral reciprocal initiatives.

The Russian Federation and the United States of America believe that the nonproliferation of weapons of

mass destruction is a crucial priority. The parties will work towards reinforcing and perfecting the systems of nonproliferation of weapons of mass destruction, including nuclear, biological and chemical weapons, missiles and missile technology, as well as destabilizing conventional weapons, in accordance with international rules and accords.

In this connection, the Russian Federation and the United States of America have expressed in a separate statement their determination to cooperate in the study of the potential for setting up a center to provide early warning of ballistic missile launches, and also to cooperate in the development of systems and technologies for defense against ballistic missiles.

Taking into account the potential for developing a strategic partnership between the Russian Federation and the United States of America, the parties intend to step up cooperation on defense matters between their military structures, including the following: to step up contacts on all levels; to broaden the range of measures encouraging openness in the sphere of doctrines and operational activity; to get expanded programs of exchange and communication established; and to exchange ideas on the matter of developing appropriate interrelations between civic and military structures in a democratic society. The parties will also implement cooperation in measures to maintain peace and to fight against terrorism and drug trafficking.

Economy

The Russian Federation and the United States of America proceed from the premise that Russia's most reliable path towards long-term prosperity and integration in the global economy lies through the continuation of the reforms being implemented today in the direction of the free market.

In order to achieve this goal, the Russian Federation intends to speed up the processes of privatization and demonopolization, the carrying out of structural and sector reforms, and also the development of a policy aimed at promoting competition and ensuring effective contractual property rights. The implementation of land reform will have particular significance as will the reforming of the power-engineering sector.

The United States of America, aware of the significance of these processes for the world economy as a whole and for the success of democracy, duly acknowledges the courage with which the Russian Government embarked on the path of reform and expresses its commitment to continuing support for the course of reform selected by the Russian Government on a bilateral and multilateral basis, including through the "Group of Seven," international financial institutions, and the process of the coordinating conference to provide humanitarian and technological aid. The United States of America recognizes the very great importance that provision of technological aid according to principles of cooperation in the interests of support for the reforms can have, as well as the significance of continuing to expand its efforts in this field.

The Russian Federation and United States of America recognize the very important role the private sector must play in the economic rebirth of Russia and its integration into the global economy. The Russian Federation and United States of America intend to encourage mutually advantageous Russian-American cooperation in the area of trade, investment, aid to business, and science and technology.

The Russian Federation proceeds from the fact that the creation of a favorable investment climate in Russia is absolutely essential. To this end, Russia intends, in accordance with its own constitutional procedures, to improve its legislation in the area of taxation, property and contract law, as well as in the area of intellectual property rights.

In the interests of promoting trade and investments, as well as of facilitating the activities of their businessmen on one another's territory, the Russian Federation and United States of America intend to lower the barriers to activity by their business circles and corporations on one another's territory and lift restrictions on business activities, which date from the "Cold War."

The Russian Federation and United States of America take note of the importance they attach to the extensive involvement of the private sector in the interests of promoting economic reform and cooperation in all spheres, and in particular of its involvement in agriculture and the distribution of foodstuffs; in power engineering, including oil, gas, and the peaceful and safe use of nuclear power; in peaceful space research in accordance with international obligations; in telecommunications; in environmental protection; and the conversion of the defense sector.

The Russian Federation and United States of America are full of resolve to continue cooperation both on the bilateral level and within the framework of the appropriate multilateral mechanisms with the aim of increasing the efficiency and universal application of existing international export control regimes.

Desiring to expand the potential for trade and investment in the high technology sphere in Russia and other new independent states and being fully aware of their responsibility in so doing for establishing and maintaining strict control conditions with the aim of preventing the proliferation of weapons of mass destruction, Russia and the United States of America intend to strive for these objectives on a bilateral basis and within the appropriate international forums, in particular through COCOM and the new COCOM cooperation forum.

The Russian Federation and United States of America confirm that they will encourage exchanges in the sphere of science, technology, education, and culture and in other spheres.

The Russian Federation and United States of America intend to accelerate their joint work to transfer the defense sectors to civilian output production.

Federation Affairs

First Deputy Minister of Security Appointed

OW1706164692 Moscow INTERFAX in English 1607 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Russian President Boris Yeltsin appointed Nikolay Golushko First Deputy Minister of Security of Russia.

The Public Relations Center of the Ministry of Security told IF [INTERFAX] that earlier Golushko worked as a security officer in Kemerovo, then, in the "postperestroyka" time, he headed the Ukrainian KGB. In recent years Golushko held the post of Deputy Minister of Russian Security.

Golushko was characterized by the COC [expansion unknown] as "an experienced, intelligent, and competent professional and a good organizer. [no end quotation as received]

The former First Deputy Minister Anatoliy Oleynikov has retired due to poor health.

Further Appointments Noted

LD1706134992 Moscow KOMSOMOLSKAYA PRAVDA in Russian 16 jun 92 p 1

[V. Filin report under "Only the Facts" rubric: "Appointments"]

[Text] Viktor Zorin, who previously worked in the External Surveillance Directorate, has been appointed to the post of chief of the Russian Ministry of Security's Counterintelligence Directorate in place of Viktor Klishin, who "left" in accordance with V. Barannikov's order concerning corruption in the Russian Ministry of Security. Vladimir Shlyakhtin, who earlier worked in one of the subdivisions of the Committee for Border Protection, has been appointed deputy minister and chief of Russian Border Troops.

Shakhray Criticizes Russian Government Bill

LD1706185192 Moscow ITAR-TASS in English 1544 GMT 17 Jun 92

[By ITAR-TASS correspondent Ivan Ivanov; quotation marks as received]

[Text] Moscow June 17 TASS—The new variant of the bill on the Russian Government submitted by the president on June 5 "is destined to a cynical failure in the parliament, according to Sergey Shakhray, former legal aide of the president and a member of the parliamentary legal committee.

Shakhray told reporters on Wednesday [17 June] he would be categorically against the bill which he believes had been worked out by the governmental staff.

Shakhray, the author of the previous bill, said he had nothing to do with the new one.

If the bill is adopted "two competing centres will appear—the president with his staff and the Government", according to Shakhray. This would result either in weakening the presidential authority or in weakening of the Government which might become completely subordinated to the president. The consequences of any variant would be catastrophic: while the president and the Government are competing the economy will collapse completely, he explained.

Shakhray also criticised the bill as it diminishes the role of ministries and concentrates all power in the hands of the governmental staff. He admitted his personal relations with Aleksey Golovkov, head of the governmental staff, are not the best ones.

Shakhray did not exclude the possibility that the bill will be recalled from parliament after Yeltsin returns from the United States.

Despite the fact that 70 per cent of parliamentarians are against Yegor Gaydar, the political reality will force them to agree to his appointment as acting prime minister, Shakhray said. Some 50.8 per cent will vote for Gaydar, even those who are against reforms will vote for him in order to push the blame for this phase of reforms on him, he explained.

'Insufficient' Preparedness Cited

LD1706210492 Moscow POSTFACTUM in English 1739 GMT 17 Jun 92

[From the "Politics" section]

[Text] Moscow—The draft law on Council of Ministers-Russian Federation Government is recalled due to insufficient preparedness. The draft law on Council of Ministers-Russian Federation Government was on the Council of the Republic of the Supreme Soviet of the Russian Federation preliminary agenda at the June 17 sitting. The draft was assumed to be presented by First Vice-Premier Vladimir Shumeyko. Chairman of the Council of the Republic Nikolay Ryabov at the June 17 sitting said also: The government has apparently understood that the document should be reviewed. Some committees strove for staging a fight over the law, but the government countered the attack.

Bill Withdrawn

OW1706194792 Moscow INTERFAX in English 1900 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] President Yeltsin's proposed bill on the Russian government was taken back for further amendment yesterday following serious criticism by the law committee.

The deputy speaker of the Russian parliament, Sergey Filatov, is to send instructions about the creation of a parliamentary work group which would work together with goverment officials to shape the new law, chairman of the law committee Aleksey Miltyukov told IF [INTERFAX].

'Collision' Avoided

OW1706163892 Moscow INTERFAX in English 1607 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Former Deputy Prime Minister Sergey Shakhray told a select group of newsmen in Moscow on Wednesday [17 June] that the government bill on the Council of Ministers, now withdrawn, could have led to the diffusion of power and to cabinet dictat if approved. He said parts of the proposed legislation were out of line with the existing constitution. Shakhray also spoke of his application to work as member of the Supreme Soviet's law committee being approved by the parliamentary leadership yesterday.

In his words, the new bill was probably drafted by the head of the cabinet administration, Aleksey Golovkov, and two lawyers, Yukov and Tsygankov, who worked for the former Soviet cabinet led by prime minister Nikolay Ryzhkov.

Shakhray denied any involvement in the paper whose shortcomings could have brought the president and the cabinet into collision if adopted. After analyzing the bill, Shakhray arrived at a conclusion that government bureaucrats wanted to reinstate many of the prerogatives of the administration of the former Soviet Communist Party. He said the draft's insistence on the government being the supreme executive was in contravention of the constitution vesting the president alone with such powers.

As it is, said Shakhray, the proposed legislation faces "a cynical defeat" by the parliament a sizeable part of which would like to gain the right of control over the cabinet. The former deputy prime minister called for the cabinet to continue to stay under the president's control.

Shakhray Cites Legality of Gaydar Appointment

MK1706153892 Moscow NEZAVISIMAYA GAZETA in Russian 17 Jun 92 p 1

[Aleksey Zuychenko report under "News in Brief" rubric: "Parliament Will Think Again"]

[Text] Sergey Shakhray has told your NEZAVISIMAYA GAZETA correspondent in a comment on Yegor Gaydar's new appointment that the phrase "entrust the performance of the duties" in the president's decree fully accords with the existing Constitution.

"According to the Constitution, the premier is appointed by the president with the consent of the Supreme Soviet, and that is why the decree does not appoint Gaydar premier. That would require the consent of parliament. And I believe the president will present an official document to that effect at this session or in the fall. I know that such a document is in preparation," Shakhray said.

Shakhray's resignation as the president's legal adviser was accepted by Boris Yeltsin only on 15 June before his departure for Washington. Now Shakhray is returning to permanent work on the parliamentary committee on legislation. In his words, he does not intend to seek any post on that committee either now or in the future and will work there as an ordinary member.

Shakhray To Prove CPSU Decrees Constitutional

OW1706171592 Moscow INTERFAX in English 1646 GMT 17 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] President Boris Yeltsin's attorney in the Constitutional Court for the hearings on the Communist Party Sergey Shakhray has told our correspondent Andrey Pershin in an exclusive interview that "the case of the former Communist Party can be paralleled to Nuremburg trial only from the historical, but not the legal point of view".

IF [INTERFAX] Note: The talk was held in the former Vice-Premier's office in the government building, Staraya Ploshchad, Moscow. Shakhray explained he had the premises as the President's lawyer in preparing for the hearings on the case of the Communist Party in the Constitutional Court. Shakhray's resignation from his government post was accepted by Boris Yeltsin June 11 following which, last Monday, he applied to the Supreme Soviet for a permanent seat on the parliamentary legislative committee. June 17 his application was accepted.

Sergey Shakhray informed our correspondent that he has been authorized to prepare "a well-argued and balanced presentation" of the President's case in the Constitutional Court. (Other representatives of the President for

this case are his state secretary Gennadiy Burbulis and the director of the Intellectual Property Agency Mikhail Fedotov—IF).

According to Sergey Shakhray the President's case will rest on two key premises: first, evidence that neither the Communist Party of the Soviet Union nor Russia's Communist Party "were ever political parties proper from a legal or factual point of view" and therefore are not subject to laws on parties or public organizations.

Second, continued Sergey Shakhray, "even if we admitted the legal fiction of those two being parties", by the moment of Boris Yeltsin's decree disbanding them and confiscating their property Russia's laws already had preeminence over those of the USSR, the latter recognized only in cases where they were not in contradiction with Russia's law. In the USSR law on public organizations only the part on registration of parties was not in such contradiction, the rest was inherited from the act passed back in the 1930s. And under that act the activities of parties and public organizations were subject to "administrative and not legal regulation". Thus President Yeltsin as head of the executive never broke any law.

Sergey Shakhray pointed out then that the Constitutional Court under the present law "cannot bring any personal charges". So, the President's attorneys are "to show Boris Yeltsin's decrees are constitutional and leave it at that".

After that the former Vice-Premier shared with us three possible scripts for the devlopments in Russia, as he sees the situation. First, the President may be removed from power in a constitutional way by the Congress of People's Deputies. Second, he may be ousted in an "unconstitutional way" on a wave of popular unrest and discontent. In that case Shakhray did not rule out that people "from Yeltsin's present close circle" might come to power. But he hopefully inclines to a third script in which the President will survive through taking the much needed measures and the reforms will go on. Shakhray hopes to meet with Boris Yeltsin to share his analysis of the situation and to suggest ways out of the crisis. He admits that some time back he made such an attempt, but the President rejected his suggestions, after which he resigned. He intimated that if Yeltsin turns a deaf ear another time, he will air his views in the press.

Shakhray expressed an opinion that the recent Congress of People's Deputies would have accepted Yegor Gaydar as Prime Minister "by 105%". And now in the Supreme Soviet "over 70% of the deputies are against Gaydar in their hearts". Still, Shakhray thinks that if it comes to a vote, they will accept his appointment "to have somebody to blame for possibly negative results of the reform".

Nechayev, Titkin Discuss Bankruptcy Decree

OW1706194692 Moscow INTERFAX in English 1900 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Economics Minister Andrey Nechayev described the presidential decree on bankruptcy as "the legal groundwork" for winding up loss-making state factories. On the other hand, he said, the decree is also aimed "at bringing psychological pressure on their managers". Nechayev insisted that the plant administration must be made to feel responsibility for financial mismanagement instead of waiting for a government or parliamentary resolution on absolving everyone from debt. "In my view, the decree also serves as a caution to the managers", the minister told IF [INTERFAX] on Wednesday [17 June].

Nechayev named farm equipment producers among the first possible victims to the bankruptcy decree. In his words, they and other equipment manufacturers are among "the worst-hit".

The minister said the government had already started work on creating organisational structures which could carry out reorganisation or bankruptcy procedures in a civilised way. He also said Moscow would seek to delegate most of its powers on the verification of the local plants' financial standing to regional branches of the Government Committee for the Management of State Property (Goskomimuschestvo). The minister said it would take several weeks to prepare the papers, and about two months to set up authorative bodies to carry out on-spot reorganisational measures.

For his part, the industry minister, Aleksandr Titkin, said it was strange that the decree should be issued before the plants improved their financial standing describing the situation in the sector as catastrophic. In an interview with IF news agency on Wednesday, he said that the cabinet and parliament adopted a joint resolution three weeks ago on ways of resolving the problem of mutual non-payment by plants, but nothing had been done since. Government estimates put the total amount of non-payments at nearly Rbl [ruble] 2 trillion.

However, Titkin described the bankruptcy decree as being fair enough since it did not aim at putting any debtor on the bankruptcy list prescribing what measures could be taken to keep it afloat instead.

The new decree takes effect after being published in the government newspaper, ROSSISKAYA GAZETA.

Shumeyko Says Reforms Must Continue 'Unabated'

LD1706123292

[Editorial Report] Moscow Russian Television Network in Russian at 1400 GMT on 15 June broadcasts a 45-minute program entitled "How shall we live?"

Vladimir Filippovich Shumeyko, first vice premier of Russia, replies to viewers' questions put to him by commentator Irina Lapina.

Shumeyko says that the reform process must continue unabated, although we must take stock of what has taken place so far. We now have four new vice premiers. Three vice premiers have experience of working as general directors. Gaydar will be acting premier until the law on the government has been promulgated, as Yeltsin said at the airport today before going to the United States. Shumeyko says that it is important to restore the state's ability to control the national economy, not in the old manner, but by finding convenient organizational and administrative methods. It is planned to turn all enterprises into shareholding companies, the state being the majority shareholder. Work is also under way to reform our taxation system. For instance, it is proposed to halve value-added tax from 28 to 14 percent.

Shumeyko, who is also the chairman of the Confederation of Enterpreneurs, recalls Volskiy's and Silayev's contribution to the development of business in the CIS. What is his program? Will there be any new reforms?

Shumeyko says there are no plans to issue new programs. The process of reforms has become irreversible. Times are indeed hard, it is a period of transition. The difficulties—economic and psychological alike—will continue, but the point is to minimize the suffering and cushion those least able to protect themselves.

Lapina asks if prices for foodstuffs will rise. It is, evidently, possible, says Shumeyko. The decision to issue 300 billion rubles worth of credits by the Central Bank of Ukraine is detrimental to Russia's interests; it would be better to have a wide shareholding system.

Lapina suggests that Shumeyko now should give brief answers to some questions: Will there be a fiscal reform? No, Shumeyko says. What about ready cash availability? Will it take a month and a half? The ruble will be convertible from July. Shumeyko stresses that the most important task is to arrest the industrial decline. Lapina asks about the attitude to the system of Russian enterpreneurship in the Baltic republics? Shumeyko says that all Baltic states have relevant laws and these must be obeyed.

Shumeyko is then given a package of questions and is asked to single out the most important ones; Lapina simultaneously gives a biographical note on his career so far. The questions answered by Shumeyko mainly revolve around aid to small businesses and the payments of pensions. What about senior citizens who need assistance badly? Shumeyko says this group of people suffered most so far. This matter is going to be discussed further. Minimum pensions will be paid from 1 July. More resources must be made available to remedy this problem. It is not always possible. All areas require money now, but we are aware of our responsibility here. What is his attitude to privileges? Shumeyko says there is no such thing as a working day in my job. I must be able to move from place to place quickly and to communicate with all and sundry, but it is important that those in power should show that they are sensitive to how they are seen.

Can ruble treaties be concluded with other CIS states? Shumeyko says it is important to elucidate which CIS countries will remain in the ruble zone. He says it is best to conclude ruble agreements with those who remain in the ruble zone. Will there be indexation of deposits? Maybe in the future, when stabilization has arrived. Now it is not possible due to the shortage of resources.

What is behind the concepts of supporters of reforms and opponents of reforms. Surely reforms must first of all be published, so that people can judge. Shumeyko recalls how ARGUMENTY i FAKTY published a list of how people's deputies voted and thus readers were able to judge who is for and who is against.

In conclusion Shumeyko says that an anti-monopoly law is in the offing, because 87 percent of industrial goods are produced by one, two, or three enterprises. This is one reason why there is a shortage of goods on the market, while warehouses are often full. For instance, 158 billion rubles worth of agricultural equipment is waiting to be supplied to agriculturalists. A situation in which goods are piling up but their prices fail to come down must also be resolved by the Government, says Shumeyko. All industrially developed states have special monopoly taxes and we will remedy this shortcoming, concludes Shumeyko.

Military Chiefs Face 'Internal Contradictions'

PM1706141792 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jun 92 First Edition p 1

[Vladimir Zelentsov "Commentary": "The Defense Ministry's 'Afghan' Platoon"]

[Text] It has been done. At the end of last week the Russian Defense Ministry was reinforced with new officials. Out of 10 candidates, the Senior Certification Board, under the chairmanship of Russian Security Council Secretary Yuriy Skokov, selected five for Army General Pavel Grachev's team. The defense minister now has (in addition to Andrey Kokoshin) another first deputy, who heads the Russian Armed Forces General Staff. He is 49-year-old Colonel General Viktor Dubynin, who was until recently commander of the Northern Group of Forces (Poland). Colonel General Mikhail Kolesnikov, who previously headed the CIS Joint Armed Forces Main Mobilization Organization Directorate and who is one of our army's best staff officers, in experts' opinion, has become his deputy on the General Staff.

The following have been appointed deputy defense ministers: Colonel General Vladimir Toporov, whose duties include the tasks of construction, quartering, and withdrawal of troops from foreign parts—long standing and

new; Colonel General Valeriy Mironov, who is in charge of tackling questions of cadres and work with personnel and military educational institutions; and Colonel General Grigoriy Kondratyev, former commander of the Turkestan Military District.

It is striking that a considerable proportion of the new people in the Russian Defense ministry are "Afghan hands." However, the defense minister considers that no one can say that "Grachev appointed his own people." There is competitive entry.

Competition is one thing, but disagreements between the defense minister and a certain section of Russian people's deputies regarding fundamental stances on draft laws directly affecting defense which have already been adopted or are under preparation are noticeable right now. Grachev's team, which, in his words, knows not only how to talk but how to act, hopes to put through parliament its own bases of Russian military policy. For example, the draft Law "On State Service Replacing Military Service (Alternative Service)" does not go down well with the Russian Defense Ministry, because people will most likely opt for alternative service not in the ranks of the Armed Forces. Pavel Grachev, however, considers that every young man should specifically experience the army. This is bound up with the patent shortage of mobilized young men, but, on the other hand, with such an introduction, the transition to a professional army could stretch out over an indefinite period.

The Defense Ministry has to draft and submit for confirmation by 1 July 1992 the Russian Armed Forces' organizational development concept. The concept is to form part of a total package of documents which parliament has to adopt in the very near future. Meanwhile the law on defense, which was approved on its first reading by both houses, has been returned for finalization. In Grachev's opinion, it could be adopted as early as mid-July. As far as the total package of documents providing the legal basis for the activity of the Defense Ministry of the Russian Army and Navy activity is concerned, it is necessary that the documents, in the defense minister's opinion, be "pushed through" by 1 September.

Who will be doing the "pushing" is now clear. But another matter remains unclear—how close is the prospect of the future Russian Army becoming a professional, fighting army which is not very onerous, is nonpoliticized, and is respected by the people. As you can see, there are quite a few internal contradictions concealed in even this simple set of qualities extremely essential to the Russian Army.

Plan Drafted for Settlement of Ex-Servicemen

LD1706133292 Moscow Radio Rossii Network in Russian 0800 GMT 17 Jun 92

[Text] Preparation has begun of a draft for the Russian state program on the settlement of servicemen transferred to the reserve during the reduction of the Armed Forces. ITAR-TASS was informed of this by (Ovsey Shkaratan), the leader of the project work group. He informed that neglected territories of the Moscow, Tver, Novgorod, and Leningrad oblasts could be assigned for settlement. The setting up of a system of farms along the Moscow-St. Petersburg highway is envisaged. A realistic way of implementing the future project is the creation of a joint open type state-private joint stock company with the involvement of domestic and foreign capital.

Diversification of Defense Factory Approved

LD1106101192 Moscow ITAR-TASS World Service in Russian 0935 GMT 9 Jun 92

[By ITAR-TASS correspondent Yuriy Solyanikov]

[Text] Kaluga, 9 Jun—The Russian Government has given the go-ahead to a diversification program for the Kaluga Electromechanics Factory. This is one of the first such programs in the republic.

ITAR-TASS was told by the factory management that, according to a government order signed by First Vice Premier Yegor Gaydar, the factory is to switch to producing fifth generation television sets which comply with existing international standards. Soft loans have been arranged. To pay them off the factory has government permission to sell its military products abroad and to use 70 percent of the hard currency revenues to pay the interest.

This conversion plan will make it possible to create 10,000 jobs and will involve other defense sector factories.

The first test batch should be produced this year. By 1996 output should be 250,000 television sets. By 1998 it should be 500,000.

Consequences of Border Protection Examined

PM1206114592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Jun 92 p 5

[Article by V. Filin: "Foreign Countries Becoming More Numerous"]

[Text] It has been officially announced that Russia intends to have its own border troops and a state border which they will guard. It looks like what B. Yeltsin warned about in Tashkent has come to pass, although it has not for the moment become a fait accompli. If things do not shape up as they did with the meat combine director's removal in Bryansk which did not materialize, Russia may soon have border posts and border problems with the former CIS members.

On the subject of the Russian border. It would have appeared sooner or later if only in order to delineate more clearly the ruble area, and the necessity to guard it would also have appeared. But people have preferred not to talk about the time of its appearance "de jure and de facto," as the border is a delicate matter.

They have talked about it not being right to leave Russia defenseless in the face of unpredictable internal circumstances in neighboring CIS countries. It looks as if this has tipped the balance. For the moment it is unknown where exactly the border with, for example, Ukraine will run, and how it will be established. It is clear that it will not come cheap. Of the almost 58,000 kilometers of the Russian state border, more than 11,000 kilometers are with CIS countries, the Baltics, and Georgia. Even to set up symbolic borders much money is needed—leaving other issues aside. For example, there is the issue of the internal state borders spelling the end of the CIS in its present form.

On the subject of border troops. It is hardly being proposed that new forces be created in addition to those present on Russian territory which are under its jurisdiction. There are more than 160,000 of them presently, and it is evidently simpler to divide them into forces which will "watch over" the borders of the remainder of the CIS, and into specifically Russian forces which incidentally can also be used for guarding the borders of the republics gravitating toward union with Russia. It is likely that a certain coordinating body for the CIS will remain, based on the present post of Ye. Shaposhnikov, commander in chief of the CIS Joint Armed Forces, and Russia will have its own border leadership.

On the subject of returning the border troops to the state security system. It is most likely that an initiative for a "merger" will come from the Russian Ministry of Security leadership, as this offers greater advantages to the ministry than to the Committee for Border Protection, which in this case loses its autonomy and acquires nothing. The Russian Ministry of Security, on the contrary, receives troops, air forces, naval forces, line units, sanatoriums, and not insignificantly, an informed border intelligence service. The "authority" and opportunities of the Russian Ministry of Security will increase sharply if the bureaucracy does not consume them. Which it was necessary to prove to supporters of strong statehood in Russia after the unsuccessful unification of the MVD [Ministry of Internal Affairs] and the FSA [Federal Security Agency] (KGB). (It is not by chance that the question of the possibility of returning code clerks, electronic warfare support measures, and special communications to the Russian Ministry of Security are being energetically discussed). True, all this relates to interdepartmental problems. Among other problems, those which may prove to be significant are the past decisions by parliament that the KGB cannot possess troops, and also the fact that in the present legislation on state security there are no regulations about guarding the border.

Past, Present, Future of Intelligence Viewed

PM1706160092 Moscow NEW TIMES INTERNATIONAL in Russian No. 22, Jun 92 pp 34-38

[Article by Leonid Mlechin: "Into the Forest And Out of the Forest. Russian Intelligence Service in Search of Its Lost Identity"]

[Text] In private conversations Russian intelligence officers complain of their helplessness: the Americans have got a chance, at long last, to square accounts with them.

Our secret agents are beset with problems like a catastrophic shortage of hard currency, the reduction of the intelligence stations staff abroad, the loss of many "covers." To make the matters worse, the Americans now demand that Moscow stop all secret operations against the USA. Yeltsin finds it extremely hard to resist this pressure.

The two faces of spying

Russian intelligence service suffered a number of setbacks in Italy and Belgium recently where some of its men engaged in industrial espionage were caught in the act and arrested. The Americans fanned the incidents in an attempt to corner Yeltsin: how can you steal industrial secrets from, and recruit agents in, countries which are helping Russia these days?

As a matter of fact, Russian intelligence officers say, all countries conduct industrial espionage, this is all in a day's work; therefore, any reproaches cast upon the Russians amount to nothing but a propaganda campaign aimed at kicking the Soviet intelligence service of the playing field.

Russian intelligence officers' lamentations make a strong impression on many. Whereas the Ministry of Security, the heir to the KGB, can hardly reckon on winning public sympathies, intelligence services are taken for granted and even command some respect. Society realizes that, after all, no state can do without an intelligence service.

Somehow it doesn't occur to most people that hunting for other nations' industrial and technological secrets—the most innocent kind of espionage—is an unseemly occupation. For as long as you get away with it, you are branded a thief. The Americans guard their secrets even against the French and the Germans. The exposure of an Israeli agent triggered an outburst of indignation in the USA, for Israel is a close ally. Is it any wonder, therefore, that readiness to help Russia does not at all mean carte blanche for industrial espionage?

Let us look at the situation from a different angle: the failures of the Russian intelligence network in Western Europe are caused not by the local spycatchers' extra effort but by continued defections of Soviet secret agents which indicate better than anything else that the crisis in the former Soviet intelligence service has not yet been overcome.

The intelligence service emerged practically intact from last year's post-August storm. The First Chief Directorate of the KGB (foreign intelligence) was immediately separated from the rest of that organization's staff, both structurally and in terms of its responsibility for the KGB's seventy-year record.

Leonid Shebarshin, Vladimir Kryuchkov's successor to the post of head of the First Chief Directorate, and several other executives, had to step down. The threat of a shutdown (a false alarm, as it turned out later) which hung over the KGB did not spread to the First Chief Directorate.

A determined Vadim Bakatin, set on securing society from the omnipotent secret police once and for all, found himself in the KGB's Lubyanka Square headquarters, and Academician Yevgeniy Primakov was—suprisingly to many—appointed the head of the intelligence service, known to insiders as "The Forest."

A one-time Pravda correspondent in the Middle East and a one-time director of a major political research institute, he had some notion of the way secret services work. However, he lacked the administrative experience Bakatin had gained as First Secretary of the CPSU Regional Committee and as Minister of the Interior. Such experience is necessary lest subordinates try to pull the wool over the new boss' eyes and take advantage of his being new to the job.

The subordinates reacted to both appointments with ill-disguised discontent. Bakatin, who took a tough line, promptly became a "bete noire." The Russian government promptly pensioned him off, which was an enormous relief to all. He was probably not forgiven for refusing to be Yeltsin's running mate in last year's presidential election.

On the other hand, the attitude to Primakov has clearly changed for the better. Instead of imposing his presence on the staff he gave it a carte blanche which suited the men of "The Forest" fine.

Academician Primakov is familiar with the Western standards of the intelligence chief's behaviour. He misses no opportunity to tell newsmen about the sweeping reforms in "The Forest," but no radical changes in the intelligence service are in evidence so far.

The Foreign Intelligence Service is among the organizations authorized by the recently adopted Criminal Investigation Act to tap telephones, open private letters, put suspects under police surveillance, search flats and carry out arrests. Why?

Neither the CIA, not the German Federal Intelligence Service (BND), nor the British MI6 are vested with such powers lest they should become hard-to-control and socially dangerous secret structures possessing unlimited rights.

If it spots a spy, the CIA asks the FBI to follow and arrest him (Germany's BND files such requests with the counterintelligence service, and Britain's MI 6, with a special department of Scotland Yard).

The KGB was all-powerful, i.e., had absolute authority over all. And now, the new Act has passed on to Russia's Foreign Intelligence Service the dangerous legacy of the KGB.

Live and let die

As Minister of Foreign Affairs Boris Pankin made a rash promise that secret agents would no longer work under "diplomatic cover." Such an ideal situation is hardly realistic; nevertheless, many members of the diplomatic corps holding high diplomatic (as well as military) ranks pack their trunks and grudgingly leave Russian embassy buildings where still uncustomary three-colour flags wave. This is part of the foreign intelligence optimization programme.

Trade missions and other numerous offices some of which have been set up abroad expressly as legal "covers" for our secret agents are also sending their staffers home.

At the headquarters, too, personnel cuts have been carried out, some departments amalgamated, and others closed altogether. Back home, intelligence officers are offered no jobs in "The Forest" and have to seek gainful employment elsewhere—in commercial structures, for the most part. The latter readily take them on especially if they put their new employers in touch with their foreign contacts.

The personnel department of "The Forest" encourages its men to seek jobs on the side. They are not struck off the active list because intelligence officers, like their opposite numbers in the army, are pensionable twenty years of service, at a relatively early age.

Secret agents stationed abroad fight tooth and nail to have their stay abroad prolonged. Each struggles for his own survival and, at the same time, makes every effort to get rid of rivals, to have them sent packing. Under the circumstances, work is looked upon as something superfluous.

Since intelligence officers are still much in demand in the West, defections, and the resultant disclosures of spy networks, will probably continue.

Why have they defected?

Russia's intelligence service, practically unreformed, retains all the flaws of the former KGB, beginning with formalistic personnel selection.

Many young men who aspired after KGB jobs regarded the First Chief Directorate as a springboard to a lucrative position abroad. The prospect of going abroad was the main stimulus for them. Their materialism, which the famous older-generation intelligence officers were free from, is largely to blame for the failures of the past three decades.

Who went all out for admission to the KGB's exclusive institute which trained personnel for the First Chief Directorate?

First, the staffers of the KGB's provincial branches who had succeeded in convincing their bosses that they were qualified for working abroad.

Second, young Party and Komsomol activists whom the CPSU Central Committee transferred to the KGB as "reinforcements."

Third, institute and University graduates who, in personnel department clerks' opinion, had the right background. Preference was given to the offsprings of high-ranking Party and government bureaucrats and to those coming from "working-class and peasant families" who had distinguished themselves in Komsomol work.

The prospect of being recalled from abroad forever, due to someone's failure, the chief's displeasure or a rival's claim to his job has always been a nightmare for almost any First Chief Directorate officer. Those who found the prospect unbearable defected one after another.

The KGB chiefs realized that the officers selected in such a way were not to be relied upon; therefore, the so-called counterintelligence service which was supposed to guard intelligence networks from infiltration by alien agents actually spied on its own officers instead.

Counterintelligence officers were not equal to exposing double agents like Oleg Gordiyevskiy, therefore they looked for potential traitors among those who wagged their tongues too much or otherwise stood out in the Soviet Community.

Ours is not to reason why...

The inadequate quality of Soviet intelligence services was made up for by quantity—the quantity of banknotes, I mean. In the sixties, the influx of new agents sincerely wishing to cooperate with the world's first socialist state run dry. Members of Communist parties were no longer willing to help KGB men free of cnarge. Secrets had to be paid for.

The centre urged its foreign posts to recruit as much "local help" as it could. The more recruits a secret agent gained, the more efficient he was considered to be.

Members of foreign missions in Moscow were bribed or blackmailed into cooperation, lured into "honey traps" where ladies of easy virtue, ready to serve their country, took care of them.

Another inherent flaw of Soviet intelligence service was its militarized character. The officers of the First Chief Directorate wore no military uniforms but military discipline demanded implicit obedience to the superiors' orders. This prevented intelligence service from fulfilling its chief mission: supplying the nation's political leadership with objective and comprehensive information about what was going on in the world.

The Soviet military's favourite phrase, "Orders are not to be discussed," became a motto of the First Chief Directorate; therefore many heads of intelligence stations sent back to the centre the kind of messages it wanted to get. If an officer disagreed with his superior's opinion, he had no way of letting Moscow know about it.

If an intelligence station chief did not want to "trim his sails to the wind," it didn't help matters much. As it went up the Directorate's long hierarchal ladder, information about the real state of affairs became distorted. Intelligence dispatches were not supposed to differ from the picture of the world as the Politburo imagined it.

The major failures of Soviet foreign policy—Afghanistan, for example—were largely due to that vicious practice of the KGB's First Chief Directorate.

Analysis or clandestine operations?

As a matter of fact, the Politburo regarded intelligence service not only and not so much, as a source of information, but as a unique instrument of politics, mighty and imperceptible.

The argument over what intelligence services were supposed to do—analyze the situation or try to change it—went on in the world throughout the post-war decades. The U.S. Central Intelligence Agency—the KGB's main opponent—was used by American presidents even in semi-military operations.

In the seventies, Washington came to realize that such attempts at changing the situation were almost always counter-productive. Years of discussions in Congress and in the press culminated in that conclusion. The CIA's functions were changed radically and, at the same time, intellience service was placed under efficient control. Similar discussions about the functions of the Russian intelligence service are yet to be held.

The main problem the Russian Federation's Foreign Intelligence Service is faced with is neither the shortage of funds, nor American pressure, but the absence of a precisely worded national intelligence policy.

"The Forest" takes a different view: "we are not to blame, we are waiting for decisions by the country's political leadership."

This is not quite true: intelligence service is an instrument of politics, and the Yeltsin administration's foreign policy strategy is known well enough. It demands that the intelligence service should change its priorities, above all.

For seventy years, the Soviet foreign intelligence service waged a war on imperialism at all fronts. That meant a massive penetration of secret agents into all countries and an all-out effort to unravel all secrets, at all costs. New Russia has cut this mission short. But is the huge army of the former First Chief Directorate prepared to accept a new one?

Being soldiers, they are obliged to fulfill any order, but won't intrinsic resistance to change prevent them from working in a new way? Are all the KGB officers of 15 or 20 years' standing capable of discarding their old "ideological principles"? Can they wake up to a new political reality and fall our of the habit of regarding the USA, Germany and Japan as the arch enemies of Russia?

The government needs accurate and trustworthy information on which to base its foreign and military policy. But where are the sore points of the Russian policy?

It's ridiculous to look for them in America or Western Europe. "The Forest" needn't be sorry about the loss of the "fraternal" intelligence services which helped the First Chief Directorate as part of the "socialist division of labour"—I mean, above all, the East German Stasi which larded the FRG and NATO with its secret agents.

The problem of loyalty

The normal development of Russia depends on what happens in the former Soviet republics, in what used to be, until recently, the socialist countries, and in the Middle East. The positions of Russian intelligence service in all of those regions are weak. The KGB's First Chief Directorate concentrated on the Western industrialized countries. To shift this emphasis is as hard and as costly as to transfer an army from one front to another.

Foreign Minister Andrey Kozyrev is now enlisting the services of experienced diplomats in adjusting Russia's relations with its neighbours in the Commonwealth of Independent States—he has instructed the former Ambassador to the US, for example, to come to an understanding with Moldova; in the same way, our intelligence officers now packing their trunks in Paris, Bonn or Tokyo might proceed straight to Kiev, Tashkent and Baku, by-passing Moscow.

Intelligence agents have no friends. Even in the socialist camp, comrades kept a wary eye on one another. On the whole, however, the KGB men who worked in socialist countries had the latters' contacts with the West under control. Now those agents could give a penetrating analysis to the complicated processes under way in Eastern Europe.

In the former republics of the USSR intelligence networks are being set up anew. Moscow cannot rely on the personnel of the republics' state security committees: as likely as not, those men will rather work against Russia.

The breakup of the USSR has created the problem of loyalty in the intelligence service: what line will the natives of the now independent republics take? Will they remain loyal to Russia or prefer to join their republics' intelligence bodies now in the formative stage? When will they make up their minds—now, or upon being initiated into the secrets of Russia's new intelligence service?

Russia's Ministry of Security fears lest the former officers of the central and Moscow KGB headquarters should, back in their home republics, try to re-recruit their old agents—people they have talked or forced into cooperating with the KGB once.

Won't they try to blackmail those people, demanding their continued cooperation, under the threat of exposing their connection with the KGB (which they'd rather keep mum about under the present circumstances)? Those agents might include some high-placed and influential citizens of Russia.

Russia's counterintelligence service is haunted by the spectre of a mighty Ukrainian intelligence service which will try to enlist cooperation and moral support among the Russian citizens of Ukrainian descent.

The Russian intelligence service won't be found wanting either. It should only take care to avoid overdoing it in recruiting the Russians eager to be useful to their home country. Otherwise, the new states which have emerged after the disintegration of the USSR will be wary towards the Russian communities and regard every Russian as a potential agent of the Russian Federation's Foreign Intelligence Service.

Security Minister Viktor Barannikov has already set up a large interior counterintelligence division whose job it is to expose "enemies in our own midst." His men will naturally try to keep tables on Academician Primakov's department, too.

Even when intelligence and counterintelligence services worked under the same (KGB) roof, there was no love between them. The former looked down their noses on the latter, and the latter doubted the loyalty of the former.

Counterintelligence officers proceeded from the assumption that anyone going abroad or mingling with foreigners can be recruited and, therefore, were extremely suspicious of the comrades from the First Chief Directorate. Intelligence officers knew this.

Adding to this mutual dislike today will be natural rivalry between the two services for budget allocations and for influence upon the President.

Calm yourself down and calm down your neighbour

Now it is obvious to all that parliament should keep intelligence service under tight control. Financial control is the surest way of keeping it in check. The parliamentary security committee which enlists the services of reliable and independent experts should satisfy itself that every item on the intelligence service's budget really serves a useful purpose. To refuse financing dangerous and useless actions is in the interests of the nation's security.

Ruslan Khasbulatov instructed the Defence and Security Committee of the Supreme Soviet to exercise control over the main lines of intelligence service's activity, its personnel policy, its budget, and to see to it that "security and foreign intelligence bodies abide by human rights and legality." This summer, the Supreme Soviet will examine, behind closed doors, the work of the foreign intelligence service and of the Ministry of Security.

The parliamentary Security Committee is still to become one of the most important ones in the Russian White

House. We ought to follow the example of the US Congress and include in that Committee the MPs [members of parliament] who are frankly opposed to the foreign intelligence service. These MPs will never swallow assurances to the effect that this or that action is crucial to the nation's security or too secret to ask any questions about....

Indeed, many questions related to intelligence service have arisen today. To begin with, the government and parliament should decide what kind of intelligence service new Russia needs.

They should look into new concepts of national security which require reasonable sufficiency not only for the army but for intelligence service as well. The approach to the problem of openness has changed, too.

An efficient intelligence service which furnishes accurate information about potential enemies is a key element of the national security system. If I know that a neighbour is not going to attack me, I feel at ease. It is no less important to assure the neighbour that he needn't beware of me, as well. Over-secretiveness and morbid reticence arouse suspicions and, in the final count, do damage to national security.

Why intelligence officers love Japan so much

The experience gained by a prosperous state like Japan is worth drawing upon. It has become a great attraction not only for tourists but for intelligence agents as well. They can work there without fear of exposure: the Japanese criminal code has no espionage clause.

A retired general of Self-Defence forces and two officers of the active list were arrested in Tokyo a few years ago. In court, they were found guilty of committing espionage for the USSR. The general was sentenced to one year, and the officers, to eight months in jail—just a token punishment by Russian standards: espionage carries capital punishment under Article 64 of the Russian Criminal Code.

The Japanese proceed from the assumption that there are practically no secrets the guarding of which would merit the establishment of an extremely costly and politically dangerous counterintelligence system. The only small exceptions, which cost the Japanese taxpayer nothing, are American military secrets and new industrial technologies. The former are guarded by the American military stationed on the Japanese Isles, and the latter—by private businesses.

Japanese intelligence service—a research bureau under the council of Ministers—has a small budget and employs a staff of about 150. Whatever the government wants to know the bureau finds out not through espionage but through a thorough analysis of a huge amount of information found in newspapers, magazines, embassy messages and scientific papers.

The Japanese model is hardly to the Soviet intelligence officers' liking. For their part, Japanese intelligence officers envied the scale on which the CIA and the KGB worked. They did not have the final say though. The creation of a model for a Russian intelligence service similarly should not be the final say solely of the officers of the former First Chief Directorate of the KGB.

Security Keeps No Files on Politicians

PM1706144992 Moscow ROSSIYSKIYE VESTI in Russian 15 Jun 92 p 1

[Unattributed report under the "Front-Page News" rubric: "There Is No File on You"]

[Text] That was the assurance given to leaders of political parties and movements by the leadership of the Russian Federation Security Ministry. This was the thing that most interested participants of the recent meeting at the Russian Security Ministry to which leaders of 43 political parties and movements were invited. The spectrum of representatives was fairly wide, ranging from "Democratic Russia" and the Communists of Russia through the Union of Cossacks....

The ministry leadership delivered a report, as it were, on the five months it has been in existence. During this time, Deputy Minister A. Bykov announced, the staff of the former KGB has been reduced from 513,000 to 135,000. The present security organs are not automatic successors to the KGB and have been completely removed from the influence of any political and ideological institutions; political investigation structures have been eliminated from it [singular as published]. So General Bykov immediately removed the question of files from the agenda.

The Security Ministry's specialist field of activity is the fight against organized crime and terrorism. Since the beginning of this year more than 50 influential criminals have been arrested and prosecuted, and the activity of a number of terrorist groups has been cut short. Here is what the security organs are currently concerned with—3,000 firearms were stolen in the first quarter of this year alone.

Ministry Shows Over 1 Million Rehabilitated

PM1706131592 Moscow IZVESTIYA in Russian 12 Jun 92 Moscow Edition p 1

[INTERFAX report: "Over 1 Million People Rehabilitated"]

[Text] According to figures issued 11 June by the Russian Federation Ministry of Security, from 1987 through January 1992 some 1,073,750 people were rehabilitated.

Some 56,342 people were refused a review of their cases. About 1.5 million archive cases have remained unexamined in the republics of the former Soviet Union. Of the total number of those repressed by the law enforcement

system in the period 1954 through 1961, some 737,182 people have been rehabilitated and approximately 209,000 people have been refused a review of their cases.

Georgians, Ossetians Picket Parliament Building

LD1606192892 Moscow POSTFACTUM in English 1515 GMT 16 Jun 92

[From the "Politics" section]

[Text] Moscow—On account of the statement on South Ossetia, made by the Chairman of the RF [Russian Federation] Supreme Soviet Ruslan Khasbulatov on June 16, the Moscow Society of Ossetian Culture and the Georgian Friendly Association picketed the building of the Russian Federation Parliament.

Russian administration you are long on words but short on deeds we demand an immediate implementation of the resolutions on South Ossetia, we demand the protection of Ossetia and the Ossetians with the entire might of the Russian state. Such are the slogans of the manifestation, organized by the Moscow Society of Ossetian Culture in connection with the statement of the chairman of the RF SS [Supreme Soviet] Ruslan Khasbulatov on the possibility of examining the issue of South Ossetia joining Russia. Simultaneously, the SS building was picketed by the Georgian Friendly Association with the slogans: Rutskoy, Khasbulatov and Co. hands off Georgia, tanks were already used in Georgia on April 9, 1989, Russian democrats are democracy and imperialism compatible?, Georgians and Ossetians are bound to find peace without your assistance, Mr. Khasbulatov.

Ostankino Rally; Consequences Examined

PM1706151192 Moscow PRAVDA in Russian 16 Jun 92 p 1

[Report by Aleksandr Golovenko: "Flaming June. On the Demonstration Outside the 'Ostankino' TV Center"]

[Text] On 12 June tens of thousands of Muscovites and representatives of the republics and cities of the Russian Federation responded to an appeal from the "Working Russia" movement and went on a hot day—Russian Independence Day—to the TV center to express their protest against the policy being pursued by television leaders. One participant said: "Siren voices hired by the West are trying to dupe us Soviet people on the television."

Serious analysis of the state of affairs in the economy, the meeting participants said, has been replaced by talk about inspiring opinion poll ratings indicating the people's invariable rapture over their impoverishment and their steadily growing faith in its architects. The screen has been impossibly Americanized and there is no end to the defamation of patriotic forces and the country's past and to the poorly concealed delight over the collapse of the USSR.

At the Sixth Congress of Russian People's Deputies it was noted that television occupies a manifestly progovernment position, and the access of other parties and movements to the screens is blocked. The protest over this "hijacking" of a national asset is entirely understandable.

The demonstration lasted just over two hours. Then from the rostrum a call was heard to move toward the central entrance of the TV center—not in order to storm it, but to hand a package of demands to its leaders. However, the militia barred the way; the people thrust them aside and streamed forward. The excited crowd was met on the approach to the driveway by another squadron of the custodians of order. The ubiquitous A. Nevzorov was shooting a film. I managed to spot more than one provocateurs with anti-Semitic slogans scurrying about in the crowd. The debates they instigated were on the same level....

"Working Russia" leader V. Anpilov and his delegation broke through the barriers to hold talks with Ye. Yakovlev: This agreement had been reached the previous evening. The main demand: That the opposition be granted an hour's airtime. The head of the first television channel, expressing his regrets that he had ever agreed to head the TV company, responded with a refusal. The delegation declared a hunger strike.

To be frank, the unexpected appearance here of Moscow Prosecutor G. Ponomarev was somewhat surprising. Yes, his proposal that the disputing sides be "guided by legislative acts" was understandable in principle. Only the question is: Why is the voice of the watchdogs of legality not heard in other, far more dramatic situations? It turns out that the militiamen who beat up this same V. Anpilov a few months ago have been allowed to go quietly. The organizers and perpetrators of the mass assault and battery of old men, women, and children on 23 February on Tverskaya Street have still not been punished. However, when demonstrators came to demand the opportunity to speak of their sorrows and hardships on the air, they start intimidating them.

A new phase is developing in the opposition's battle for freedom of the airwaves. But it is already clear that, Yegor Yakovlev, who is unable to find a common language with the opposition and cuts himself off from people with militia cordons and nightsticks, in effect provoking a confrontation, has lost not only the professional, but also the moral right to run television.

DPR Wants Equal Time

MK1706110592 Moscow KURANTY in Russian 17 Jun 92 p 2

[INFORM-KURANTY report: "Is It Impossible Without Pickets?"]

[Text] In an open letter to Yegor Yakovlev, head of the Ostankino state television and radio company, the Democratic Party of Russia [DPR] Political Council has

voiced perplexity at the fact that the company is willing to grant air time to Communists at a time when the constructive opposition is being deprived of this opportunity. The Political Council reminded him that the DPR has also been in opposition to the Russian Government since 30 May and drew Ye. Yakovlev's attention to the fact that if Ostankino has to be picketed in order to gain air time, the DPR is just as able to do this as the Communists. However, the DPR is in principle opposed to such actions. The letter voices the hope that the DPR will get a chance to express its stance on the Ostankino television and radio company's programs.

'Tension' Subsides

LD1706125692 Moscow Radio Rossii Network in Russian 1000 GMT 17 Jun 92

[Text] During the last few days passion ran high around the Ostankino television center in Moscow. Nationalist communist patriots were holding demonstrations and demanding live airtime, underlining by their actions their contempt for the law and the orders of the city authorities.

Today the situation at Ostankino is quieter. Our correspondent Yevgeniy Zherebenkov contacted by telephone (Vladimir Zubkov), head of public relations of the state directorate of internal affairs in Moscow, and asked him to explain what happened near the Ostankino television center last night and this morning.

[Zherebenkov] Between 0015 and 0045 the militia and the demonstrators took down 35 tents. Only the first aid tent was left in order to provide medical assistance.

[Announcer] But how did the removal of the tent city go?

[Zherebenkov] It went well, calmly. According to the head of the state directorate of internal affairs, the demonstrators and the militia were ready for the fact that this action was going to take place. There were no incidents during the removal. There were no clashes or resistance either.

[Announcer] But does the demonstration remain in front of the television company?

[Zherebenkov] Yes, it is still there. It has been allowed. The problem was with the tents, because tents were not mentioned in the application for the demonstration that had been submitted to the government.

[Announcer] Tell me, is it true that there was some sort of discord in the militia? How accurate is the information that some employees submitted their resignations, not wishing to take part in the crackdown on the demonstrators?

[Zherebenkov] Two leading employees of the militia submitted their resignations, but this was not connected with the removal of tents and the Ostankino demonstration. This was connected with other matters.

[Announcer] Tell me, what is the situation at Ostankino now?

[Zherevenkov] The tension of 12 to 13 June has subsided.

Criminal Proceedings Urged

LD1706161292 Moscow POSTFACTUM in English 0949 GMT 17 Jun 92

[From the "Politics" section]

[Text] Moscow—Sergey Filatov, first deputy chairman of the Russian Federation [RF] Supreme Soviet said on disturbances at Ostankino TV center: Resolute measures are expedient for defending democracy from the threat of Fascism.

On June 16, Sergey Filatov also told PF [POSTFACTUM]: The RF Prosecutor General Valentin Stepankov was given instructions to investigate and institute criminal proceedings against instigators of June 12 riots. The RF prosecutor's office should deal with them. Filatov believes that also considered should be the question of lifting deputy immunity from RF people's deputies, participating in the meeting near Ostankino and of the Russian National Assembly on June 12-13. Filatov reckons that simultaneous holding of the Russian National Assembly and meeting near Ostankino testifies to ever more growing orderliness of forces opposing the legitimately elected power. Resolute measures are expedient for defending democracy from the threat of Fascism, he said.

Tribunals Replaced; Military Courts Remain

LD1306155192 Moscow Radio Rossii Network in Russian 0500 GMT 12 Jun 92

[Text] Revolutionary, military, and other tribunals no longer exist in Russia. According to ITAR-TASS, citing the republic's Ministry of Justice, only civil and military courts will operate from now on within the country. The abolition of tribunals and their replacement by military courts should not be viewed as a mere change of label, Lieutenant General Anatoliy Muranov said at a news conference. According to him, military courts are not extraordinary or special. They differ from civil courts in that they will operate in a specific milieu—in the Army and the Navy—but on the basis of legislation that is standard throughout the country.

'Haste' of Court Procedures on CPSU Noted

PM1206191792 Moscow SOVETSKAYA ROSSIYA in Russian 12 Jun 92 p 3

["Statement" by V.A. Ivashko and V.A. Kuptsov]

[Text] As is well known, on 26 May this year the Russian Federation Constitutional Court should have examined a petition submitted by a group of Russian Federation people's deputies on verifying the constitutionality of the

RSFSR president's decrees "On Suspending the Activity of the RSFSR Communist Party" dated 23 August 1991, "On the Property of the CPSU and the RSFSR Communist Party" dated 25 August 1991, and "On the Activity of the CPSU and the RSFSR Communist Party" dated 6 November 1991.

It came as a complete surprise to us when Constitutional Court Chairman V.D. Zorkin announced at the start of the court session that a decision had been taken the day before to combine the examination of the said petition with examination of another petition received 12 May (22 May in its amended form) from Russian Federation People's Deputy O.G. Rumyantsev on deeming the CPSU and the RSFSR Communist Party unconstitutional and confirming in this respect the aforementioned RSFSR presidential decrees, and also to combine it with a similar petition received 25 May from another group of people's deputies.

We were not familiarized with the contents of these petitions. It is clear to us why there was such great haste—it seems they could find nothing substantial with which to oppose the petition put forward by the people's deputies on verifying the constitutionality of the president's decrees, a petition that was officially adopted for examination by the Russian Federation Supreme Court back in December last year and which went through a number of expert appraisals.

In these conditions we could not agree to improvise, especially as the leading bodies of the party had not authorized us to represent the party in court. The right to convene plenums of the CPSU Central Committee, the RSFSR Communist Party Central Committee, or party congresses in order to decide this and other organizational questions was refused us.

Eventually the Constitutional Court decided to invite us along "as one of the parties [storona] participating in the examination of the petition on checking the constitutionality of the CPSU and the RSFSR Communist Party" and as official representatives of the posts we held at the time immediately preceding the publication of the president's decrees. In the event of our not appearing before the court or sending people to represent us, the question will be examined all the same. It was pointed out to us that the court admits of no other alternatives.

In view of this, we state that we will participate in the court session and will uphold the constitutional rights of the CPSU and the RSFSR Communist Party.

We realize that our voice is not the voice of the whole party [partiya]. But in the prevailing conditions we regard our speech to the Constitutional Court as a fulfillment of our duty to Communists. In addition, this is a matter of personal honor for us. We are moved by no other motives.

We are counting on the selfless assistance and support of all those who abide by the notions of justice and the triumph of the rule of law.

[Signed] I. Ivashko, I. Kuptsov.

More on CPSU 'Plenum,' Gorbachev's Expulsion

PM1706155192 Moscow PRAVDA in Russian 16 Jun 92 p 1

["Own Information" report: "M. Gorbachev Expelled From the CPSU"]

[Text] Members of the CPSU Central Committee held a conference in Moscow 13 June 1992. It was opened by K.A. Nikolayev on the instructions of the Central Committee members' organizing group.

The conference examined the situation which has developed subsequent to the 26 May session of the Russian Federation Constitutional Court. An appeal to the Constitutional Court was adopted.

After examining this question, the conference participants resolved to continue the conference as a plenary session of the CPSU Central Committee.

The plenum examined urgent organizational questions of the party's activity.

A decision was adopted to hold the 20th conference of the CPSU by the end of 1992. An organizing committee to prepare the conference was formed.

The plenum resolved to dissolve the CPSU Central Committee Politburo and Secretariat as unable to ensure the leadership of the party.

The plenum expelled M.S. Gorbachev from the party's ranks—for wrecking the party and the state and betraying the working people's interests.

Other organizational questions were also examined.

The plenum adopted an appeal to all the country's Communists.

Taking part in the work of the CPSU Central Committee conference and plenum were members of the CPSU Central Control Commission, representatives of parties and movements which deem themselves the CPSU's successors, and the leaders of a number of party committees and press organs of a communist tendency.

Party Leaders Criticize Decision

LD1706160892 Moscow Radio Moscow World Service in English 2100 GMT 16 Jun 92

[Excerpts] The leaders of several parties of communist and socialist orientation have protested against the self-proclaimed plenum of the Central Committee of the Soviet Communist Party. At a Tuesday [16 June] conference they declared that the 40 participants in the plenum had no right to decide anything for 400 members of the Central Committee. [passage omitted]

Meanwhile, Tuesday's conference of communist and socialist parties expressed the opinion that a full-scale

meeting of the Central Committee should begin only after a verdict is passed in the Russian Constitutional Court on the case of the Soviet Communist Party on 7 July.

Socialist Party Opposes Communist 'Show Trial'

OW1706180992 Moscow INTERFAX in English 1608 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Leaders of the Socialist Workers' Party [SWP] in an appeal to the Communists in Moscow on Wednesday [17 June] called to stand up against further anti-communist hysteria and attempts at passing from threats to action in a bid to infringe on the civil rights of millions of rank-and-file Communists. Their statement speaks of the need for the future of the communist party to be resolved in a constitutional way. SWP leaders who describe as unconstitutional president Yeltsin's decree on banning the Central and Russian Communist Parties spoke of being made witness at last month's Constitutional Court session to an undisguised political game aimed at replacing hearings into the legitimacy of the president's decree by a show trial over the communist party. Their statement describes this as another attempt to try to drag the society into a new round of confrontation, and moral terror as a way of protecting the government from general anger over rising living costs.

The Constitutional Court is due to meet on July 7 for further hearings into a collective claim about the legitimacy of Mr Yeltsin's decrees and a counter-claim by Russian MP [member of parliament] Oleg Rumyantsev about the legitimacy of the Communist Party itself.

Reform Opposition Evident at National Assembly

PM1706144392 Moscow ROSSIYSKAYA GAZETA in Russian 15 Jun 92 First Edition p 2

[Report by Dmitriy Slobodyanyuk: "Russian National Assembly Will Take a Different Path"]

[Text] Last weekend there was a congress of the Russian National Assembly in the House of Unions Hall of Columns in Moscow. This sociopolitical movement brings together former members of the partyocracy, the conservative intelligentsia, and also the majority of existing patriotic and Bolshevik communist movements, parties, and organizations. Some well known people, such as the writers V. Rasputin and V. Belov, mathematician and journalist I. Shafarevich, and former KGB General A. Sterligov were in the presidium. S. Umalatova and V. Anpilov and movie director S. Govorukhin were also in the hall.

The conservative-patriotic forces' ideological and political platform has been quite clearly defined of late. All the words uttered in the speeches at the assembly were familiar, although for the first time they clearly had the ring of an ultimatum. The participants had a great deal to say about the revival of the Russian national spirit, about society being divided in the face of approaching catastrophe, and about there being no common idea uniting all strata. According to the speakers, the mighty economy created by the sweat and blood of several generations of Russian people is being deliberately destroyed. The 25 million Russians in the republics of the former USSR are being left without the protection of their compatriots and have been turned into second-class citizens; the Army is demoralized, it has been dispersed to "sovereign" barracks, and is being disarmed on the quiet by local nationalists. The reforms started by the Yeltsin-Gaydar government have reduced the people to a state of universal poverty and have not produced positive results. As a result of the "reformists'" actions, it was stressed at the assembly, hyperinflation is raging in the country, in the next few months the decline in production will be about 40 percent, and, more than likely, it will finish off the economy. The Russian people are losing out to the West in the psychological and information war and as a result of the "antipopular" policy of the democrats in power the country is under "secret foreign occupation."

Retired KGB General A. Sterligov addressed the assembly and accused the president and his team of having hypnotized the people through the use of "lies and treachery" and of helping to implement U.S. capital's plans to remove Russia from the world arena and turn it into the "West's reservoir of raw materials." If the Russian National Assembly attains power, A. Sterligov promises to deal with crime in a matter of days (evidently more quickly even than Zhirinovskiy—editorial note), rid the country of the mafia and non-Russians, and, having purged the ranks of entrepreneurs of dishonest and corrupt elements, carry out a real, people's economic reform under the rigorous control of a strong national government.

The announcement by R. Malujevic, chairman of the Serbian Slavic Literature Foundation, that the Serbian Kraina had recognized the Dniester Republic the other day was applauded by those present. A Russian National Assembly resolution on the Serbian question was adopted unanimously and immediately transmitted to world news agencies and sent to President B. Yeltsin.

The Russian National Assembly adopted an anticrisis program, including the convening this summer of an extraordinary Congress of People's Deputies, the replacement of the body of deputies and of the "antipopular" government, the assumption of power by the Russian National Assembly, and tough administrative measures in the economic sphere. According to the patriotic forum, Russia needs neither rampant capitalism nor utopian communism. Russia needs its own path—a path of national revival based on Russians' traditional ideas about people's relationships and earthly justice. A. Sterligov, V. Belov, and A. Makashov were elected to leading bodies of the Russian National Assembly.

The Russian National Assembly Congress, which brought together beneath its banners dozens of parties and organizations, was a sign that the anti-Yeltsin, antidemocratic opposition has finally been formed. As people's dissatisfaction with declining living standards and the lack of concrete results of the reforms grows and society faces the real threat of mass unemployment and the failure of hundreds and hundreds of enterprises, the conservative-patriotic front's supporters could grow rapidly in number. The lack of any social policy or concept of national interests in all the actions the government takes makes the reforms that are being carried out even more dubious and unstable. While the desire to finish off representative power at all costs and the persecution of the Congress of People's Deputies and parliament are indicative of an intention to see the reforms through at any price.

In conditions where no side is disposed toward compromises and coordinated action to overcome the crisis that grips the country, the price of such a policy could be all too great—it could be devastating.

Faction Condemns West for Supporting Reforms

OW1106193592 Moscow INTERFAX in English 1600 GMT 11 Jun 92

[Transmitted via KYODO]

[Text] The leaders of the parliamentary opposition block "Russian Unity" condemn the West for supporting Yeltsin's reforms. Their statement says that the representatives of the ruling circles of Western countries "are promoting the establishment Yeltsin's authoritative regime" in supporting his reforms. The authors of this document say that "insufficiently considered decisions with respect to Russia and its people will lead to a global catastrophe".

They also blamed the executive structures of the Russian Federation for their plans to abolish the legislative institutions and assess this as "preparations for another coup". According to the coordinator of the "Russia" faction, Nikolay Pavlov, this statement was deliberately prepared on the eve of Yeltsin's visit to the US.

Travkin Reviews Personnel Reshuffles, Reforms

MK1706155392 Moscow NEZAVISIMAYA GAZETA in Russian 17 Jun 92 p 2

[Interview with Nikolay Travkin by Vladimir Todres under "Opposition" rubric, place and date not given: "Nikolay Travkin: 'Gaydar's Departure Is Yeltsin's Departure.' Volskiy and Vladislavlev Are Not Discussing Their Plans With Their Allies"]

[Text] [Todres] On 21 June you are due to conclude a quite advantageous alliance—with "Rutskoy's party" and "Volskiy's organization"....

[Travkin] The Democratic Party has had strong contacts with "Rutskoy's party"—the Free Russia People's Party [FRPP]—for a long time. As for the "Renewal" alliance, I think that we have similar views. In addition, we will be useful to one another in the sense of influencing the authorities.

[Todres] In the fall the Democratic Party of Russia [DPR] refused to cooperate with the influential "party-economic aktiv"—the Movement for Democratic Reforms [MDR]. Do you consider this permissible and useful now?

[Travkin] After the putsch the main figures in the MDR—Yakovlev and Shevardnadze—lost their significance. Those who remained were concerned more with their own interests. The "Civil Union" which we are creating will be able to influence the government directly. The authorities directly, not individual politicians in the Supreme Soviet.

[Todres] Have you already agreed with Volskiy or Vladislavlev on the division of functions within "Civil Union"?

[Travkin] We have not consulted at all. I set out my position exactly at the constituent congress of "Renewal." The 21 June meeting has been prepared by our parties' executive organs. In my opinion, we will have to decide everything there on Sunday: If there are enough points of contact, a coordinating organ will be created. Initially it will establish cooperation between the parties and then—in the second stage—will form the shadow cabinet that everyone is talking about.

[Todres] Meanwhile it is possible that this cabinet will have to emerge from the shadows into the light and distribute portfolios....

[Travkin] No, there is no question of allocating posts now. What political force in its right mind is looking for portfolios right now? Volskiy himself does not look like someone who is about to wreck his future. Generally I am against the departure of Gaydar and his team. First, because this departure should logically mean the resignation of the president—if you presume that our politicians are decent people. After all, if Gaydar has not kept his promises, this means that Yeltsin has not kept his either. Cabinet reshuffles will have no effect now. The ideology of the reform must be changed. No one disputes its aims, it is a question of consistency and speed of action. We must abandon the "short sharp shock" method. Speed is not the main thing. If that were so then it would be necessary to revise the concept of privatization. It may be conducted more slowly but more effectively—through the commercialization of state enterprises. In Moscow—and in my own Shakhovskiy Rayon—the "classical privatization" of trade is not considered "incorrect"—that is immediately obvious. Financial stabilization is not the paramount task, either.

[Todres] But that is a completely different reform.

[Travkin] But the aim is the same. The market economy and a democratic society. But we can travel the road toward it at least cost. [sentence as published] Now, though, the reforms are virtually marking time even though the concept is fine....

Its initial defect was that questions of the reform were separated from social and industrial development questions. The government worked on the assumption that it was necessary to choose—either the reform or the solution of social problems and the restoration of ties between enterprises. But it is not clear—why did Gaydar not quarrel all the time with Shokhin and Titkin? Because they were friends? The tasks of the reform were formulated in such a way that these three men were bound to argue ceaselessly...But there must not be three blocs, there must be one. Each reforming step must immediately reflect on social stability and the state of production. That, incidentally, is how it is verified.

[Todres] I doubt that you will be able to convince Gaydar to stay on those terms.

[Travkin] First it is necessary to convince the president. It is he who ratifies (or not) a particular plan, that is, a package of steps. Organizing those steps is the president's job with regard to the government.

[Todres] Nevertheless, the purpose of Yegor Gaydar and his team was to implement their concept. Until he lost one member of his team after another. Now you intend to make him abandon his vision of the reform, too. In that case, why should he stay on as de facto head of the government? Out of loyalty to Yeltsin? If everything works out as you want, your alliance will have to take up the reins.

[Travkin] Well, after the congress it, too, will have to leave...Since it has tolerated and endured so much. Do you know, I have talked about all this both with him and with Chubays. He is a reasonable man. Two or three reasonable men and a politically reasonable force will always be able to persuade one another to think not about the purity of their concepts but about the price that will have to be paid by those on whom we impose this concept.

No cadre changes in the government can now lead us out of the rapids into calm water. The task of this transitional government is to make sure that we are not dragged backward. Later, of course, other people will appear. Later.

Party Leader Predicts Coup Anniversary 'Events'

OW1706195192 Moscow INTERFAX in English 1900 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The peak of political events which will stir up the country will most likely fall on the anniversary of the August coup, the chairman of the Democratic Party Nikolay Travkin said at a press conference Wednesday [17 June]. He expects that the Democratic Movement of Russia will not refrain from a lavish celebration of last year's victory of democratic forces, and will use the opportunity to state its claim to the government, which will cause clashes.

Travkin places great expectations in the political struggle on the Civil Union, whose formation will be announced June 21. The Civil Union, which supports the goals of the current reform program, will propose other methods of attaining these goals; the alternative focuses on the social aspect.

Parties To Set Up 'Moderate Centrist' Bloc

PM1606100392 Moscow IZVESTIYA in Russian 15 Jun 92 Morning Edition p 2

[Report by Georgiy Ivanov-Smolenskiy: "Three Russian Parties Create Moderate Centrist Bloc"]

[Text] Aleksandr Vladislavlev, member of the organizing committee bureau of the All-Russia "Renewal" Union, Vasiliy Lipitskiy, chairman of the "Free Russia" People's Party, and Valeriy Khomyakov, chairman of the Executive Committee of the Democratic Party of Russia [DPR], met with journalists at a roundtable discussion held at the House of Friendship With the Peoples of Foreign Countries. They talked about the upcoming forum on 21 June at which a moderate centrist bloc, the "Civic Alliance," will be formed.

It is intended that, in addition to the three best-organized Russian parties, certain parliamentary factions, a group of independent deputies, and also the Russian Union of Youth will join the bloc. The bloc will offer, according to the leaders of its founding parties, a "healthy program of consolidation" to the majority in society. Economic and social stabilization in Russia, an immediate switch to constructive hard work, and strengthening of the ties between the country's leadership and society are proclaimed as its main objectives. Only a little over 10 percent of Russian citizens, according to sociological research data, have firm political interests today. The remaining sensible political forces, which are—to a considerable extent—apolitical, can be "roused" and won over, in the opinion of the leaders of the parties, only by showing them that there are specific and realistic goals, and that those goals are achievable now.

While supporting the course of reforms the "Civic Alliance" will undoubtedly also seek to "ground" them and channel them toward people's needs right now. In this respect the bloc's stance vis-a-vis the present government was formulated by Khomyakov as "loyal constructive opposition." Stressing that this constructiveness will not be merely rhetorical, Vladislavlev said that constant professional contacts are already maintained with Gaydar and his team. Asked by IZVESTIYA whether there are not contradictions in the fact that "generals" of the military-industrial complex are undertaking to

defend citizens' interests, he observed that in the previous anti-economic conditions the majority of them in Central Committee and ministerial offices performed wonders of market ingenuity, and those same wonders are being performed by them today to mitigate the lot of their workers and keep them from striking. In this sense the body of directors, which makes up roughly one-third of the "Renewal" union, could, in Vladislavlev's opinion, serve in the future as a serious stabilizing factor and an unambiguous supporter of market reforms.

On the whole, the social base of the emerging bloc promises to be very extensive—in addition to the economic elite, there is also the scientific and creative elite ("Renewal"), "the working intelligentsia" and the potential middle class ("Free Russia"), and "the broad strata of working people" (the Democratic Party). The "Civic Alliance" is counting on winning a "firm civilized majority" in parliament by the fall and thereby influencing government policy.

Vice Premier Khizha's Secretariat Chief Profiled

PM1706160192 Moscow ROSSIYSKIYE VESTI in Russian 15 Jun 92 p 1

[Sergey Ovsiyenko report under the "Appointments" rubric: "'The Production Organism Must Breathe Normally,' Leonid Bindar, Vice President G. Khizha's Chief of Secretariat, Is Convinced"]

[Excerpts] Today the shuffling of cadres in the "upper echelons" of the Russian Government has become not simply a subject for intense scrutiny, but also something to be analyzed. There is no end of forecasts and conjectures... Cadre appointments that are sometimes equally significant are also taking place on the lower floors of Staraya Ploshchad. In many ways they let us know what people are coming to the fore in the Russian Government.

A week ago Leonid Bindar was appointed chief of Vice Premier Georgiy Khizha's secretariat by a presidential directive. [passage omitted]

The chief of the secretariat is a supporter of consensus in government between "theoreticians" and "practitioners." This alliance is necessary; the grave situation of industry requires it. One of the primary tasks in Leonid Bindar's opinion is a thorough analysis of this situation, an identification of its causes, and a search for a way of stabilizing industry. It has not been ruled out that the secretariat will also get involved in the preparation of appropriate government draft laws and resolutions.

This end will also be served by consultations with specialists whose opinion will be listened to attentively. At the same time the opinion of representatives of one tendency or certain group of people (the directors of St. Petersburg's enterprises—Sergey Ovsiyenko) will not artificially predominate.

"We must make our production organism breathe normally," Leonid Bindar says positively....[passage omitted]

Cabinet Submits Budget for Remainder of 1992

OW1606181392 Moscow INTERFAX in English 1713 GMT 16 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Russia's government has submitted the draft budget for the remainder of the year to the republic's Supreme Soviet.

The PB [Presidential Bulletin] gives you the text of a key passage from the bill:

The revenue in the consolidated budget (minus clearing settlements) is expected for 1992 as a whole to amount to rbl [rubles] 3,844.3 bn [billion], which is 2.1 times higher than originally estimated. The rise in revenue still fails to cover the expenditure expected to rise twice to rbl 4,243.2 bn.

The final deficit of the Russian Federation's consolidated budget stands at rbl 398.9 bn, corrected for external credit operations—at 308.3 bn.

The shrunken share of indirect taxation (VAT [value added tax] and excise) by 4 points, alongside the rise of profit tax by 4.1 points and the income tax on physical persons by 0.6 points, is due mostly to more precise forecasts of economic performance and the actual budget revenue from those sources.

A substantial sum of rbl 106 bn, or 4.2% of the total revenue, is made up by the fund of price regulation which will be paid into the budget from charging higher prices for energy.

The structural changes in the budget expenditure are chiefly due to poorer returns from foreign economic activity explained by the adoption of a single exchange rate of the rouble. That requires adequate measures for including in the budget additional expenses for such activity, proposals on which will be made separately.

Besides, there is a considerable rise in servicing the government's internal debt following the decision to accept obligations of the former USSR government.

The outlays financing government investments remains on the previous level.

At the same time the present budget's has further relative cuts, compared with the original version, in expenditure on defence (from 18.7% to 16.1% share in the total outlays), on law and order (from 6% to 5.1%), on science (from 2.8% to 2.1%), and national economy (from 22.99% to 21.2%).

The allocations for social protection of the population (allowing for the sums reserved in the region) are unchanged to provide support for the most vulnerable groups and keep up a system of social guarantees.

With all the austerity in the above and other budget items, the cuts cannot produce a budget without a deficit. But its level (of 2.3% of GNP) will not, as clear from world experience, substantially boost the inflation processes.

Central Bank Suspects Regional Embezzlement

PM1706133192 Moscow IZVESTIYA in Russian 12 Jun 92 Morning Edition pp 1-2

[Report by Valeriy Reshetnikov: "30 Billion Rubles Gone 'Into the Shade' in a Southerly Direction"]

[Text] The MVD [Ministry of Internal Affairs] has told journalists that commercial banks of the southern republics (mainly Checheniya) have conducted a planned operation against the Russian Central Bank as a result of which various commercial structures and private persons succeeded in gaining possession of 30 billion rubles [R].

Swindlers the world over rub their hands at the imperfect nature of rules governing the handling of finances. But it is probably only in Russia that these rules open up such great prospects for swindlers. In accordance with the situation that exists in our country, large sums of money are transferred between commercial banks with the help of credit advice and payment documents, on the basis of which money is credited to the accounts of commercial banks. All money flows pass through the Russian Central Bank, which in this case fulfills the role of a kind of post office. In April and May false credit advice notes to the value of hundreds of millions of rubles began to arrive at the Central Bank from southern republics with instructions to credit money to commercial structures for various programs (mainly tax-free purchases of agricultural produce).

The money conscientiously transferred by the Central Bank to the said commercial structures was instantly channeled into the funding of fictitious commercial enterprises. Vast amounts of money were expended with lightning speed. At each stage of the money's passage numerous intermediaries received sums running to many millions of rubles as payment for services in "pushing through" programs. In the MVD's opinion, the melting away of the money presented the following picture: If R500 million were being channeled into some program, 300 million of them were paid out as "sweeteners" ["tolchki"]. Billions were essentially looted with tremendous speed.

The resulting cash was hidden in Russia or moved to the south. The direction of movement depended on who specifically in that case was directing the operation. The high-ranking MVD employee who gave me this information but asked that his name not feature in the press said that the press has the right to ask point-blank: Did what happened result from the negligence of Central Bank employees or from complicity with people who wish to undermine Russia's economy?

I addressed these questions directly to the Central Bank. Stanislav Nikitin, the bank's chief accountant, admitted that at first the MVD had taken an interest in the credit advice notes arriving from commercial banks in Checheniya. Until 1 April, he explained, these payment documents could be used by the former specialized (now commercial) banks. Until the MVD's intervention in the matter, the Central Bank itself had merely assumed that the writing out of false advice notes was possible. In order to exclude any criminal manipulation of these payment documents, according to Stanislav Nikitin, the bank began to "implement a policy of depriving commercial banks of the possibility of using advice notes." After 1 April commercial banks were given instructions to leave them out of account. But false advice notes had been written out prior to that date. Having been drawn up according to all the rules (with seals, signatures, an indication of all the essential elements, and accompanying documents), these advice notes did not give rise to any suspicions and so were "registered with the agency account [korrespondentskiy schet] at the recipient's bank." The Central Bank's chief accountant cast doubt on the amount that the MVD claims was embezzled—R30 billion. But at the same time he did not deny it, saying that it was theoretically possible to write out as many false advice notes as you liked. So far, according to his data, it is known for sure that such payment documents were written out to a value of R3.5 billion.

A bank employee, who asked not to be named, expressed a personal assumption that the MVD's activeness in this case is connected with this department's desire to curry favor with the president, who recently promulgated a decree on combating corruption. In his opinion, MVD employees are deliberately inflating this affair to the dimensions of a state disaster in the hope of receiving awards and promotion from the president...I at once contacted the MVD and expounded this opinion to my high-ranking interlocutor. He found it absurd. According to him, a bank which takes its obligations seriously always checks the sender's solvency. Chechen banks were sending advice notes to the value of billions of rubles, whereas the entire annual turnover of the banks there amounts to R1.9 billion.

Be that as it may, we are talking of the embezzlement of billions of rubles. In the MVD's opinion, it is too soon to speak of the prospect of the money's return to the state. Journalists were told at a briefing that the militia is now "catching" the money sent out of Russia. Citizens of southern republics with suitcases stuffed with millions are being arrested at the capital's airports. Southerners usually react to a request to explain the money's provenance by sitting on the ground, seizing their head in their hands, and starting to sob...

Bank Bans Nonresidents From Selling Currency

OW1606224992 Moscow INTERFAX in English 1927 GMT 16 Jun 92

[Transmitted via KYODO]

[Text] The Central Bank of Russia (CBR) is prohibiting Russian commercial banks from purchasing hard currency from non-residents (legal and physical entities from other former soviet republics) at the Moscow Interbank Currency Exchange (MICE). According to a telegram sent on Monday [15 June] to commercial banks participating in MICE trade, CBR only allows them to accept applications for the purchase of foreign currency in exchange for rubles from residents of the Russian Federation.

MICE member-banks are also required to verify the source of funds being used to purchase hard currency after they receive consolidated applications from authorized banks not belonging to the exchange. This requirement is expected to prevent funds belonging to non-residents from being used to purchase currency at MICE.

In the text of the telegram, CBR calls the measures "temporary", explaining that they are needed because the Central Bank has virtually no control over credit issues, due to the fact that there are no agreements to coordinate credit issues by CIS member-states. The Central Bank estimates that former soviet republics issued 150 billion rubles in credit in April and May of this year.

Currency exchange experts report that state and commercial structures from other former soviet republics have been actively purchasing hard currency at MICE over the past few weeks with the help of Russian intermediaries. As a result, CBR, which is responsible for supporting the ruble's exchange rate, has been forced to flood the market with significant sums of hard currency. (INTERFAX has learned that CBR intervention during last Tuesday's trade exceeded $40 million, with total hard-currency sales of approximately $53 million.)

No Growth in Farming, Just 'Period of Survival'

PM1706133792 Moscow IZVESTIYA in Russian 11 Jun 92 Morning Edition p 2

[Interview with Russian Agriculture Minister Viktor Khlystun by AGRO-PRESS correspondent; place and date not given: "'I Cannot Understand the Collective Farm Chairman Who Demands Financial Assistance but Has Kilowatt Bulbs Burning in His Cowshed in the Middle of the Day'"]

[Text] [Correspondent] Viktor Nikolayevich, suppose you were conducting this interview—with Boris Nikolayevich Yeltsin, say....

[Khlystun] An interesting beginning...First of all, I would ask a question connected with the changed economic situation in the agro-industrial complex. Agricultural enterprises, and private farmers in particular, are now in a deplorable financial state.

However, the situation is not as bad as threatened: We were told that reforming collective and state farms would lead to their complete disintegration and a free-for-all and would wreck the sowing. In fact, the first stage of transformation has gone normally. All farms have held meetings, decided on the direction they should take, and chosen their form of economic management. Out of 27,000 farms, more than 5,000 have reregistered under new forms of management. Although I would not say that this has been done totally competently and objectively everywhere.

[Correspondent] There is another view, however....

[Khlystun] "Russia is incapable of sowing anything"? "Famine is just around the corner"?

But sowing has been completed in full. Grain has been sown over an area approximately 1 million hectares more than last year. We have sown the same amount of sugar beet as last year. There are slightly fewer potatoes and vegetables in the public sector, but this will be made up by produce from private gardens and kitchen gardens, subsidiary plots, and private farms.

[Correspondent] What about livestock breeding?

[Khlystun] Here the picture is quite different. Feed supply as a whole meets only 70 percent of demand. The demand for concentrated feed in poultry farming and pig breeding is met by 62 percent and 57 percent respectively. Naturally, this causes livestock to become emaciated, leads to a reduction in numbers, and has an effect on the genetic situation.

Another aspect of the problem is that the very great disparity in prices for industrial and agricultural output has now made livestock breeding in particular unprofitable.

[Correspondent] Parliamentary deputies recently called on the government to make the price of grain the same as the price of oil. As the cost of one tonne of crude oil has now risen to 2,600 rubles [R], and they feel that grain should cost the same.

[Khlystun] If we establish the ratio "the cost of one tonne of grain is equal to the cost of one tonne of oil," we will destroy grain production. Of that I am absolutely sure.

According to our calculations, the real cost price of one tonne of grain is now in the region of R7,000. But if we bear in mind that grain has always had a profit margin of 60-70 percent (last year it came top over all other types of output), and if we consider the natural demand for grain today, its purchase price will obviously be at least R8,000 per tonne. Peasants are unlikely to let it go for anything less.

At the moment, grain costs R12,000 per tonne on the exchanges. It reached R16,000 in January, and our associations were forced to buy it to feed their livestock.

[Correspondent] You touched on relations between the state and commercial structures. What are the prospects?

[Khlystun] There must be normal business cooperation. But, at present, resources are concentrated in the exchanges and commercial structures which buy grain. They can and are prepared to pay for future deliveries of grain—buy futures, in other words—by advancing considerable sums of money now. This is to farms' advantage. The state's resources are extremely limited, however. The most it could allocate to the Committee for Grain Products to buy futures is R20 billion. Although some R60 billion are needed.

We have set a relatively low level of mandatory grain purchases by the state—just 35 percent. I hope we will be able to keep to it. But we are unlikely to get anything over and above this 35 percent on the basis of voluntary contracts. All the rest is obviously going to be bought up by commercial exchange structures. That is no great problem as long as they do not then reach an agreement among themselves and establish a monopoly of high selling prices for grain.

[Correspondent] To what extent will this 35 percent make it possible to fill state resources? How much more will have to be bought?

[Khlystun] It will all depend on the gross harvest. We harvested 92 million tonnes of grain in 1991 and bought a further 25 million tonnes abroad. Even that was virtually starvation rations. If we manage to harvest approximately 105 million tonnes this year (naturally, this forecast carries a certain margin of error) and keep our purchases abroad at the same level (25 million tonnes, in other words), we will basically solve the problem of supplying grain for bread and feed.

[Correspondent] Many believe that the Sixth Congress has written off land reform by failing to adopt an amendment to the Constitution on buying and selling land.

[Khlystun] The Congress has not written off reform, although I think that it made a great mistake by refusing to adopt such a decision. Land is being bought and sold regardless. Transactions of this nature take very ugly forms and are conducted underground, beyond the sphere of influence of state bodies. If a process objectively exists, it is absurd to turn a blind eye. Reform is going ahead despite everything, but it would be a great deal more successful if a normal market for buying and selling land were introduced.

[Correspondent] It is obviously no accident that some specialists say that it is not real reform unless property relations are changed completely.

[Khlystun] Without a doubt. But it would be sensible to impose certain restrictions on the buying and selling of land in order to rule out speculation. After all, all countries impose such restrictions when implementing agrarian reform.

For example, if a pensioner obtains a plot of land and immediately sells it to a private farmer, we must naturally do our utmost to encourage this. But it is quite another matter when land is bought up by someone who has no intention of using it for agricultural purposes. When extremely valuable arable land is acquired to build a hotel, for example. The toughest restrictions are needed in such cases.

[Correspondent] How do you rate the stand taken by agrarians in the present government, and what changes do you expect to see?

[Khlystun] Until now, the government has shown very little understanding of agriculture's problems. But now its attitude has changed. It is another matter that the government has very few possibilities to radically change the situation.

We have submitted a proposal on creating an agrarian bloc within the government structure. Apart from the Ministry of Agriculture, this bloc should include the Committee for Land Reform and the Committee for Grain Products. It should be headed by someone with the status of deputy chairman of the government.

[Correspondent] But what can you say about parliament?

[Khlystun] I feel that deputies representing the agrarian sector made a very strong impact at the last Congress. But, in my view, they did not always make their influence felt in directions appropriate to the course of economic reform. For example, I cannot agree with their demands that 15 percent of the national income be allocated to the agro-industrial complex and that the program of social development in rural areas be implemented in full.

The demands of agrarian deputies now basically amount to one thing: They want more of this, that, and the other. But I cannot understand when a collective farm chairman complaining about his serious financial situation calmly walks into a cowshed where six rows of one-kilowatt bulbs are burning in the middle of the day. I cannot understand this chairman when he speaks of economic difficulties but has excellent timber strewn over two hectares of land on the edge of the village. When I suggest that he sell this timber where it is needed, he says: No, it may come in handy one day.

We must seek solutions to the developing situation through state support on the one hand and thrifty management on the other. There is no other way.

Now is not a period of growth or even stabilization—it is a period of survival. In the course of this year, rural areas must harvest as much as possible and make rational use of all they have. But the state must also help as much as possible.

Slow Pace of Privatization Considered

PM1606133792 Moscow ROSSIYSKAYA GAZETA in Russian 15 Jun 92 First Edition p 1

[Vladimir Sluzhakov "Commentary": "Ordered To Become Owners. Of Securities for the Moment"]

[Text] If last Thursday [11 June] the deputies had again failed to adopt the privatization program for 1992, postponing the debate until the fall, they might well have broken their own record for red tape, set last year. You may recall that they spent a leisurely six months discussing the draft law. It gave the "grabatizers" extra time and opportunity.

But now parliament is faced with a choice. If it embarks on the new round of discussion that the "Russian Unity" faction, headed by Isakov, has been pressing so hard for, it will "lose the initiative," according to Ispravnikov. In that case the executive would have every reason to operate again through presidential decrees and ignore parliament.

Actually, the legislators have the chance to adjust the adopted program in the course of its implementation. But in all probability that is not enough. There is the possibility that some kind of intercommittee working group will be set up to monitor the course of privatization and assess its consequences, in addition to the two structures that are independent of one another—the Property Fund and the State Committee for Property. The purpose of this new superstructure is rather unclear at the moment: Indeed, as is well known, the implementation of laws is determined not so much by the number of monitors, as by how realistic the rules of the game presented to the legislators are. So when State Committee for Property experts claim that privatization is being hampered by the instability caused by the Congress, endeavoring to give the economic causes a political flavor, it does not sound very persuasive.

Moreover, the president was forced to declare even before the Congress that in some cases it is necessary to switch to the direct sale of facilities—there are no buyers. Although the State Committee for Property ideologists expressly avoided this method because it gives rise to corruption and bribery.

But the population failed to come up to the expectations of the analysts who had drawn up the basic guidelines for privatization in 1992. They turned out to be much poorer than planned, preferring to spend money on their daily bread. Citizens are only capable of acquiring a ticket to get into the auction. As for the auction itself, the only ones who can participate are those who have succeeded in putting together some basic capital through commercial activities.

If it had been otherwise and property worth at least 20 billion rubles [R] (as originally intended) had been privatized by May, instead of property worth R3.5 billion, then the government would not have agreed to any adjustment of privatization, any privileges for labor collectives.

So the main purchasers this year—no pretense from the State Committee for Property experts here—will still be enterprise collectives and new commercial structures. Budget-funded organizations, having obtained vouchers (R4,000 each, supposedly) are unlikely to have any marked influence on this distribution. But the government cannot avoid the new headache. If the means of payment—checks—are to be used there will be an urgent need for shares. In view of this the absolutely fundamental task is to turn most medium-size and large state enterprises into joint-stock companies before the end of the year.

The operation involving privatization checks will cost a total of nearly R5 billion. Each check will be valid for a limited period of one year. Each of our 150 million citizens will be able to use the check to acquire privatized enterprise shares, will be able to sell it for cash, or will be able to acquire investment fund shares with it. These specialized financial institutions will invest the checks in privatized enterprises' assets, paying dividends to the investors.

If the president signs the decree on the check program before 1 July, we will be the possessors of another lot of paper, but this time securities supported by Russian Federation property.

New Satellites Created for 'Rossiya' Program

PM1606142992 Moscow IZVESTIYA in Russian 16 Jun 92 Morning Edition p 2

[Report by Boris Konovalov: "'Krasnoyarsk-26' Open to the Commercial World"]

[Text] The declassified city of "Krasnoyarsk-26" will become the control center for spacecraft with an economic role. This is envisaged in the program for the development of a satellite communications and broadcasting system which has been named "Rossiya."

"Krasnoyarsk-26," which stretches along the banks of the Yenisey about 40 km below the kray capital, is still a closed city surrounded by barbed wire, but access into it has now been significantly simplified. The 100,000-strong population is employed in two main organizations—the mining and chemical combine, where two reactors producing plutonium for nuclear bombs are to be closed down, and the applied mechanics science and production association. Erroneous reports have appeared in the press that the science and production association produces spy satellites. This is not true. The science and production association has its own claim to fame. It is here that all domestic television, communications, navigational, and geodesic satellites were created.

The "Rossiya" program envisages the creation of a new generation of satellites. Tests of the "Gals" communications satellite are now being completed in the enterprise workshops. This satellite, produced according to international standards, will have three "broadband channels" ["stvoly"] for direct television broadcasting. At the moment "Ekran" satellites, which have been in operation since 1976, are used for these purposes but they operate in a frequency band not intended for direct television broadcasting. The first "Gals" satellite will start operating this year.

"Ekspress" satellites will be launched in 1993. They will replace the outdated "Gorizont" satellites developed 20 years ago. These satellites will each carry 12 retransmitters and will provide not just television broadcasting but also telephone and telegraph communications and relay large blocks of digital information between stationary objects.

Under an agreement with Canada, the applied mechanics science and production association in cooperation with other Russian enterprises will create a satellite platform, or service module. The Canadian side will provide its state-of-the-art electronics and create the retransmitters and antennas. The "Sovkanstar" satellites will be used for international communications. They will be able to compete with "Intelsat" satellites.

The "Arkos" satellite is being created for communications with mobile objects—aircraft, ocean-going ships, railroad engines, and motor vehicles.

These are all geostationary satellites. At the same time a low-orbit satellite system is being created—the "Gonets,-" which can be accessed by portable devices. These satellites will be particularly convenient for electronic mail purposes.

The new satellites will make it possible to conduct both long-distance and short-distance communications directly via space. This is particularly important for our sparsely populated areas, regions in the Extreme North, Siberia, and the Far East.

At present satellite channels account for only 6 percent of the overall structure of Russian telecommunications. This will increase thanks to the "Rossiya" program. Over 70,000 satellite communication channels will appear by the year 2000, and each of these will be able to serve between 50 and 100 telephones. It will be possible to ensure the relay of 30 television programs—both all-Russian programs and regional—and also serve the CIS countries.

The Ministry of Communications announced a competition for the "Rossiya" program. And after a review by experts, the proposals of the applied mechanics science and production association headed by Academician M. Reshetnev were deemed the best.

Impelementation of the program until the year 2000 will cost 11 billion rubles. The Russian Federation Ministry of Communications does not have this kind of money. Therefore a combined form of financing involving commercial structures is envisaged. The applied mechanics science and production association has already joined several joint-stock companies. The new satellites are being created on a commercial basis. Every ruble invested in space communications will provide approximately 3 rubles of profit. Therefore of all the spheres of Russian cosmonautics only space communications can look to the future with a fair degree of confidence.

Humanitarian Education Session Held in Kremlin

LD1306160292 Moscow ITAR-TASS World Service in Russian 2221 GMT 11 Jun 92

[By ITAR-TASS correspondent Vasilit Titov]

[Text] Moscow, 11 Jun—The first session of the Council for Humanitarian Education within the Russian Federation Government, which was held in the Kremlin today, discussed ways for the cardinal reformation of Russia's humanitarian education system. Speaking at the session, Gennadiy Burbulis, state secretary under the Russian president, noted that the Russian leadership is today seriously concerned at the situation which has developed in the system of higher education in the sphere of humanitarian disciplines. The changes which are taking place there are, he said, in many ways unsystematic and chaotic. There is a perfectly understandable lack of a well-conceived concept of how the emerging Russian state and society can hope to reform a system for the dissemination of humanitarian knowledge, carrying as it does the difficult legacy of communism, without at the same time losing its true cultural values. All this, Gennadiy Burbulis said, should be the subject of detailed discussion by the council.

Government Offers Pay Incentives in Education

LD1306102992 Moscow ITAR-TASS in English 1930 GMT 12 Jun 92

[By ITAR-TASS correspondent]

[Text] Moscow June 12 TASS—The Russian Government has issued an instruction allowing educational establishments and organizations form a fund of extra-pay for complexity, intensity and high quality of work at an amount of up to ten per cent to the amount of means allocated for salaries.

Besides, it was established that payments envisaged by the Russian president's Decree 509 of May 13, 1992, "on additional measures for social protection and encouragement of educational workers" and the above-mentioned instruction should not exceed 25 per cent of the salaries fund.

The Russian Ministry of Finance is to establish the order and sources of financing the measures envisaged by the instruction. The Russian Ministry of Education was

offered to establish the order and conditions for the introduction of extra-pays for complexity, intensity and high quality of work.

New Body Set Up To Handle Refugee Affairs

LD1606134292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 15 Jun 92

[From the "Novosti" newscast]

[Text] A number of presidential decrees on setting up new structures were adopted today. In particular, the Federal Migration Service of Russia will be set up on the basis of the committee for the affairs of the migration of the population.

In Russia, 222,000 refugees have been officially registered, of whom 37 percent are Ossetians, 20 percent Armenians, 20 percent Meskhetian Turks, and the remaining 23 percent are Russians.

Supreme Soviet

Poltaranin Briefs Commission on Mass Media

LD1606174392 Moscow Radio Rossii Network in Russian 1000 GMT 16 Jun 92

[Summary] The Russian parliament's commission on state policy on the mass information media held a meeting in the Moscow White House today. Parliament will discuss this policy on 20 June.

According to Viktor Zhigulin, deputy chairman of the Soviet of the Republic, the aim of the commission is not to scrutinize individual newspapers or TV programs, but to study the functioning of the law on mass information media.

Mihkail Poltoranin, vice premier and minister for the press, was present at the meeting and answered many questions. He reported on subsidies for local publications, underscoring that such subsidies are allocated regardless of the ideological stand taken by a given periodical. According to the minister, newspapers might be able to become self-sufficient in two years time, but until then they will have to be supported. He defended the government's view that television and radio stations should be subsidized from the federal rather than local budgets.

He also mentioned the Ostankino problem and said that this situation was made possible by the lack of legislation to regulate the relations between the mass media and political parties and social movements.

The minister said that a resolution is being prepared in the parliament on support of the mass media. It will include such measures as interest-free loans and the cancellation of the value-added tax.

Warns Against Changing Law

LD1606174892 Moscow Radio Rossii Network in Russian 1200 GMT 16 Jun 92

[Text] According to Vice Premier Mikhail Poltoranin, the time has come to amend the criminal and civil codes with the aim of protecting the public from insults to individuals, from abuse of human dignity, and from incitements to violence. According to ITAR-TASS, Poltoranin spoke of this at a session in Moscow of the parliamentary drafting commission on issues of the mass media. At the same time, he said that the law on the press should be left untouched. Poltoranin reckons that any attempt to encroach on this law would have undesirable political consequences.

Future Hearing Arranged

OW1606185092 Moscow INTERFAX in English 1638 GMT 16 Jun 92

[Transmitted via KYODO]

[Text] A parliamentary hearing will be held on to discuss mass media by June 25. In accordance with a resolution by the 6th Congress of People's Deputies, the hearing will be held prior to the matter is discussed in the Supreme Soviet, the Deputy Chairman of the Republican Council of the Russian Parliament Viktor Zhigulin said Tuesday [16 June]. Zhigulin spoke at a meeting attended by members of the parliamentary committee on mass media, Vice Prime Minister, Minister of Press and Information Mikhail Poltoranin and the editors in chief of the central and regional publications, as well as the television and radio companies from Moscow and St. Petersburg.

The meeting focused on the financial problems facing the media as a result of economic reform. The Russian Deputy Minister of Communication Boris Butenko said that out of the 2200 periodical publications registered 113 have folded, 233 have ended their subscription service, 18 publications have decreased the frequency of publication without increasing their prices, and 416 publications have raised their subscription rates. Butenko said that these changes have affected 732 publications, or 35%. Resubscriptions were introduced by 200 publications. Butenko said the new circulation was 10-15 percent of the January subscriptions.

Butenko said that tariffs for the distribution of publications were three times what they were in March. If fuel prices are released, the tariffs will be raised another two to three times.

Bill on External Intelligence Service Approved

LD1706163892 Moscow ITAR-TASS in English 1551 GMT 17 Jun 92

[By ITAR-TASS correspondent Ivan Novikov]

[Text] Yevgeniy Primakov, chief of the Russian External Intelligence Service, told the Russian Parliament today that he is ready to cooperate with the parliament in controlling the activity of the intelligence services.

Primakov was speaking in the Russian Parliament's Council of Nationalities during the discussion of the bill "On External Intelligence of the Russian Federation".

Primakov said that his service would remain for long, as "intelligence is a necessary mechanism not only in the work against our main and clearly-defined enemies. The intelligence service has worked and will continue to work as part of the state mechanism to protect the interests of Russia".

The Russian intelligence chief added: "We can have friends, partners and allies, but at the same time we also have the state interests to protect also with respect to friends, allies and partners".

Speakers stressed that not only people directly interested in the law on external intelligence are looking forward to its promulgation. The parliament is expected to lay down a provision in accordance with which methods and means used by external intelligence agencies should not infringe on the rights and freedoms of citizens, cause damage to people's lives and health, and the environment, and also contravene legislation in effect.

The bill was approved in first reading by both chambers—the Council of Nationalities and the Council of the Republic today. It provides for tough control over the activity of intelligence agents. The bill will be finalized in the parliament's committees and commissions and then submitted to the parliament for consideration.

Resolutions to Cash Deficit Problems Viewed

OW1706135392 Moscow INTERFAX in English 1333 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] According to the assessment made by the Central Bank, the situation connected with providing Russian Federation's regions with cash may ease only by August due to the introduction of 5-thousand banknotes into circulation, the chief of the Central Bank's department Aleksandr Zinchenko declared at a session of the Supreme Soviet of Russian Federation on Wednesday [17 June] while discussing the problem on providing different regions with cash. According to Zinchenko, Tuesday the Gosznak (Banknote Issuance Authority) and the Central Bank of Russia reached an agreement on issuing from 800 billions to 1 trillion roubles.

He said that in five months the monetary mass has increased 2.1 times. In the first quarter the Gosznak transferred to the Central Bank 127.4 billion roubles and in the second—272.3 billions. Still the cash deficit constitutes 40 billions as of April 1, and before June 1 it reached 150 billion roubles. According to Zinchenko, the situation with cash is aggravated due to the absence of penalty sanctions proposed by the Ministry of Justice and amounting to 10 month salaries in respect to those trade institutions which violate the cash discipline.

Zinchenko also sharply criticized the government "which does not ensure the coverage of the monetary mass with consumer goods and food products" the production of which has reduced by 25% in five months in comparison with the same period of 1991.

Zinchenko proposed to transfer the Gosznak to the Central Bank of Russia.

Meanwhile the Russian Minister of Finance Vasiliy Barchuk, who also attended the session, addressing the deputies said that the decision on issuing gold coins of great value was passed by the government to compensate its debt to the working people of the North regions of the country.

Decisions Adopted at 15 Jun Presidium Noted

LD1706201992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 2005 GMT 15 Jun 92

[Report from the Russian Supreme Soviet by correspondent I. Pankov; from the "Novosti" newscast]

[Text] The Russian Supreme Soviet Presidium adopted a number of important decisions today. Parliament will examine a draft law very shortly that is to establish a transitional period in which to genuinely effect the territorial rehabilitation of repressed peoples. This decision was adopted today by the Supreme Soviet Presidium. The draft law was presented by the minister of justice on behalf of the Russian president. A period of up to five years is envisioned for achieving the rights of the repressed peoples. The unauthorized seizure of land or alteration of borders is prohibited during that period so as to avoid tension. Actions in violation of this point by public movements, parties, or officials will be regarded as crimes against the state.

Five minutes before the start of the Presidium session another draft law arrived from the president "on introducing amendments to the Russian taxation system." Thus, two draft laws on the same topic were on the table in front of the members of the Presidium. The first was drawn up by a Supreme Soviet commission. It envisions among other things halving the current value added tax which at present stands at 28 percent. The Presidium believes the Supreme Soviet should examine both draft laws. [video shows Khasbulatov chairing the session, also there are Minister of Justice Fedorov, Filatov, Abdulatipov, Shumeyko, Yarov; meeting in progress, members studying documents]

Comparison of Khasbulatov Report on S. Ossetia

CM1806154292

Moscow ROSSIYSKAYA GAZETA in Russian 16 June 1992 carries in its First Edition on page 1 a "Statement by Russian Federation Supreme Soviet Chairman R.I. Khasbulatov in Connection with the Events in South Ossetia." Comparison of the item with the Moscow Radio version printed in the 15 June Central Eurasia CENTRAL EURASIA Daily Report on page 32 reveals the following variations:

Column two, paragraph one, second sentence ROSSIYSKAYA GAZETA reads: "...the most critical, crisis situations which has..." (supplying "crisis").

last sentence ROSSIYSKAYA GAZETA reads: "...it seems, an unambiguous course of expelling South Ossetians..." (rewording).

paragraph two, third sentence ROSSIYSKAYA GAZETA reads: "...have been cynically violated by armed Georgian formations. Firing on the civilian population has intensified. At the same time pressure is being stepped up on the small contingent of Russian troop units stationed on the territory of South Ossetia for peacekeeping purposes, and there have been fatalities among them resulting from shelling and attacks on warehouses containing military equipment and property.

At congresses of Russian Federation people's deputies and..." (picking up paragraph four, sentence one, rewording, omitting passage).

pargagraph four, sentence one ROSSIYSKAYA GAZETA reads: "...of North Ossetia, thus objectively creating conditions for a powerful social explosion capable of spreading throughout the North Caucasus. Given that this problem..." (supplying "objectively", omitting passage).

Page 33, column two, paragraph six, first sentence ROSSIYSKAYA GAZETA reads: "...to pursue a policy of "faits accomplis" through the expulsion..." (rewording).

Regional Affairs

Sobchak Assesses Year as Mayor, Views Reforms

LD1506181292 Moscow Radio Rossii Network in Russian 0500 GMT 12 Jun 92

[Text] St. Petersburg Mayor Anatoliy Sobchak spoke at a festive briefing on the occasion of Russia's first Independence Day. Here is a report by Denis Gurinskiy, our correspondent in the city on the Neva.

[Gurinskiy] Addressing journalists at Smolnyy, Anatoliy Sobchak declared that the preservation of social stability in the region and the partial success of reform are the main results of his year's activities as mayor of St. Petersburg. However, he indicated that nearly all his original plans before last year's elections now seem naive to him.

According to Sobchak, this is due to objective events such as the attempted coup d'etat and the collapse of the USSR. At the same time, the mayor of St. Petersburg claimed that the principled scheme for the new Russian institutions of power created a year ago has demonstrated its effectiveness. But today, in Sobchak's opinion, reform is being crowned with success only where the system of Soviet power is being abolished quickly. The anniversary of Russian independence is bound to accelerate the dissolution of the soviets, especially the rayon soviets, as structures generated by the Bolsheviks that have now become absurd and useless, Mayor Sobchak noted.

Commenting on Boris Yeltsin's latest staffing innovations, Sobchak called them equal to the present moment, and the fact that the government is now staffed with practicing industrialists delights him. Sobchak acknowledged that his recent deputy, Khizha, who was nevertheless appointed vice premier despite protests from Sobchak himself, is one of these practicing industrialists.

Replying to a Russia's Radio correspondent's request to comment on the resurgent confrontation between Yeltsin and Gorbachev, the mayor of St. Petersburg said he still does not understand the reasons for the quarrel. According to him, Gorbachev is now a pensioner who previously led a criminal party, and nothing more. Consequently, none of Gorbachev's statements should be taken seriously either in Russia or abroad. Apart from that, Sobchak stressed, if there is material on criminally punishable deeds by Gorbachev, it would be better to forward it to a court rather than stage polemics in the press.

St. Petersburg 'Shutov Affair' Examined

PM1506092992 Moscow ROSSIYSKAYA GAZETA in Russian 10 Jun 92 First Edition p 4

[Yuriy Kukanov report under the general heading "Investigation": "Who Was Gunning for 'Desyatka'?"]

[Text] St. Petersburg—As ROSSIYSKAYA GAZETA has already reported, following the arrest in St. Petersburg of Yuriy Shutov, a sponsor of the program "600 Seconds," Aleksandr Nevzorov led a veritable war on the air against staff of the Operational Investigations Bureau (OIB), accusing them of the gravest crimes. Thus, in one of May's editions, footage was shown in which OIB staffers "fired shots" at respectable citizens in their private limousines in broad daylight.

Generally speaking, television viewers would do well to take many of the items on "600 Seconds" with a pinch of salt. Evidence that the "independent partisan-reporter" often lies quite openly has been produced on so many

occasions that there is no point in reiterating it. But on this occasion the "Russian people's academic" surpassed even himself.

As Sergey Stepashin, chief of the Russian Federation Security Ministry St. Petersburg Administration, declared at a meeting with journalists, the incident highlighted by Nevzorov had nothing to do with the OIB. The video recording reproduced on screen showed an operation from one year ago to arrest Vyborgskiy Rayon Internal Affairs Administration militiaman Sazonov, who was in the service of one of the gangs. Investigating officers from the former state security service arrested him. They had to use weapons. One OIB staffer took part in the arrest. One cassette containing the video recording was kept by the state security service, and another was handed over to the Internal Affairs Administration. An official inquiry is currently under way into how the film fell into Nevzorov's hands, and General Stepashin has promised to publish the results.

Meanwhile, the Shutov affair has started to spawn new detective novel-style incidents. VECHERNYY PETERBURG correspondent Dmitriy Grigoryev was beaten up by three strangers late one evening in the doorway to his home on Petr Lavrov Street. The job was done professionally, without uttering a word and without taking any of his things. It trademarks are familiar: The attack on "Peterburg" Television and Radio Station Chairman Viktor Yugin several months before was organized in exactly the same way. Other cases can be cited too. VECHERNYY PETERBURG's editorial office suggests that the incident is directly connected with the correspondent's work in dealing with the Shutov affair.

St. Petersburg's television schedule for 31 May included a program called "Kriminalnaya Desyatka," which is made by the Rayon Internal Affairs Administration Press Service. It cited evidence about Shutov's criminal activity. The viewers saw nothing of the sort. The program was taken off the air on such a farfetched pretext—that the hard copies of the texts had not been handed over in time—that professional television workers simply smiled. Youth Programs Editor Valeriy Gormov, a long-standing admirer of Nevzorov's work and a vehement supporter of his ideology, had a hand in taking "Desyatka" off of the air. A scandal broke. The matter went as far as a hearing in the City Soviet Commission on Publicity and the Mass Media, where deputies asked for explanations from the television chief. While passions flared over "Desyatka" (it was only broadcast on Wednesday), Nevzorov twice had occasion to throw mud at the service for combating organized crime. The master videotape, which was kept in the Rayon Internal Affairs Administration, has disappeared. And it seems strange that information is "leaking" out of the Big House when its masters, as we know, are well able to keep secrets.

In fact, the Shutov affair itself very nearly disappeared from St. Petersburg. An attempt was made to transfer all materials to the Russian Prosecutor's Office, which would conduct further investigations. A very similar method has long been perfected by the national mafia. I can be fairly confident in my judgment on this, since I met with a multitude of similar incidents when looking over the materials on the corruption case conducted by Moscow investigators Telman Gdlyan and Nikolay Ivanov: They could write a whole dissertation on this theme. The aim is simple—to smash the pace at the initial stage of investigation, to cloud the issue, and ultimately, if possible, bring the process to a complete standstill. Investigating officers from the Big House evaluated the prevailing situation as follows: an attempt to halt the Shutov affair to prevent the law enforcement organs from exposing links to really influential government structures. It emerged from official sources that one of those who petitioned to bring the Shutov affair to the capital was Gavriil Popov. It would be interesting to know: What is it that attracted Moscow's mayor in the case of the former aide to the mayor of St. Petersburg?

Efforts to transfer the Shutov affair to Moscow were cut short by Russian General Prosecutor Valentin Stepankov, who took personal control in the matter. But the feeling that there are highly influential forces who really do not want to continue with this investigation has not waned.

Moscow City Appeals to Constitutional Court

LD1306164292 Moscow ITAR-TASS in English 2115 GMT 11 Jun 92

[Text] Moscow City Council (Mossoviet) decided to ask the Constitutional Court of the Russian Federation to check if the normative acts regulating the activity of Moscow authorities conform to the Constitution, ITAR-TASS was told at Mossoviet.

According to participants in the session, a number of resolutions of the Presidium of the Russian Supreme Soviet (parliament) did not conform to the main law of the country after the 6th Congress of Russian People's Deputies had made changes in the Constitution.

These documents include resolutions on the status and structure of Moscow government bodies, on the delimitation of the bodies of power and administration, on the procedure for the election of the Moscow mayor, on assumption of office by mayors and some other legislative acts.

Kuzbass Official Comments on Federal Meeting

LD1606122892 Moscow POSTFACTUM in English 1214 GMT 16 Jun 92

[From the "Politics" section]

[Text] Kemerovo—Kuzbass top-ranking officials are satisfied with the results of the meeting with RF [Russian Federation] Administration.

On June 16, addressing a press conference upon his return from Moscow the head of Kemerovo region

Mikhail Kisliuk reported that out of 19 issues raised by the representatives of Kuzbass before the RF Administration, 16 had found a positive solution. Among the outstanding problems is the problem of defreezing the hard-currency accounts of Kuzbass enterprises at Vneshekonombank.

Mikhail Kislyuk reported that the RF Administration had appropriated not R7.5 billion in cash as had been reported earlier but R9 billion to Kuzbass. However, Kislyuk does not share the optimism of Yegor Gaydar on account of the fact that by August the cash situation will improve with the issue of 5- and 10,000 ruble banknotes. According to Kislyuk, there will still be a shortage of change.

Mikhail Kislyuk also pointed out that the proposals related to the formation of a Free Economic Zone (FEZ) which his delegation had submitted to the administration had been fully resolved. Besides, the RF Administration Chairman Yegor Gaydar promised that the representatives of Kuzbass would be invited by the administration to take part in the development of a bill on FEZ which was expected to be passed within 2 months. Kislyuk pointed out that the members of the administration did not have a single opinion of FEZ activities.

Hokkaido, Sakhalin Conclude Bilateral Talks

OW1306143492 Tokyo KYODO in English 1317 GMT 13 Jun 92

[Text] Yuzhno-Sakhalinsk, Russia, June 13 KYODO—Russian and Japanese neighbors wound up their first friendly talks Saturday [13 June], calling for the promotion of future friendship.

The three-day talks, held in Yuzhno-Sakhalinsk, the largest city in the Far Eastern Russian province of Sakhalin, were held to promote mutual understanding between the residents of Sakhalin and Hokkaido, Japan's northernmost main island. Hokkaido and Sakhalin face each other across a narrow strait connecting the Sea of Japan and the Sea of Okhotsk.

Hokkaido Prefectural Governor Takahiro Yokomichi told reporters, "The meeting was a success if the Russian people have memorized the fact that some 17,000 Japanese used to live in the four northern islands off Hokkaido." He was referring to islands the Soviet Red Army seized from Japan at the end of World War II. Dispute over the Russian-held islands, administered by Sakhalin, has prevented Moscow and Tokyo from signing a peace treaty or fully normalizing relations.

Sakhalin Governor Valentin Fedorov also praised the meeting, saying that "although we lacked time, many Russian citizens could learn the existence of the territorial problem."

Yokomichi disclosed that he received a proposal from South Kuril Congress Chairman Tereshk asking the two governors to visit the disputed islands for bilateral talks.

In earlier talks with Yokomichi, Fedorov proposed boosting regional ties by expanding the area in which visa-free visits are allowed to all of Sakhalin. Yokomichi declined comment on the proposal but sought Fedorov's support for his idea of setting up a joint committee on economic and transportation measures to promote mutual exchanges between Hokkaido and Sakhalin.

Under a current bilateral agreement, Hokkaido citizens can visit the four islands—Kunashiri, Etorofu, Shikotan and the Habomai islets—without visas, in response to visa-free visits to Hokkaido by Russian residents of the islands.

Baburin Comments on Bush During Sakhalin Visit

LD1106170592 Moscow POSTFACTUM in English 1515 GMT 11 Jun 92

[From the "Politics" section]

[Text] Moscow—The visit to Sakhalin of a group of the Russian Federation people's deputies and former deputies of the USSR headed by the coordinator of Rossiya faction, Sergey Baburin, ended on June 9.

The deputies visited the fish-processing factories of Sakhalin, Army units deployed on the Kuril island of Iturup, where they openly accused Yeltsin's cabinet of treachery and crimes against their own people. According to Sergey Baburin, there are people today in the Russian parliament who will head the new administration and will run the state, first of all, they are Isakov and Nikolay Pavlov—deputies, as well as 54 members of the faction Russia. Deputy Valeriy Kharyusov emphasized in his speech that everybody was looking for the administration leaders in one deck of cards and were not looking around. The USSR deputy, Yuriy Golik, pointed out that he was not a has-been, but a present-day deputy and that no one had ousted him from the post of people's deputy. All the members of the delegation are positive that the Yeltsin administration will shortly be sent into retirement because of the conflict between the Russian legislative and executive authorities and that the Yeltsin clique will be tried by an ordinary court.

According to Baburin, the policy of Russia is currently being determined not by Khasbulatov or Yeltsin but by George Bush who is using the inability of both leaders to run the state. According to certain local politicians, the deputies visiting Sakhalin region have already distributed among themselves portfolios for a new administration and have started the campaign to shape the image of the shadow cabinet from Sakhalin, putting the Kuril islands problem in the centre of attention with the head of Sakhalin Administration, Valentin Fyodorov, not being given the role of the leader in that government in case Sergey Baburin is recognized on the shadow level.

Sakhalin Leads Privatization Process

LD1606113792 Moscow ITAR-TASS in English 0840 GMT 16 Jun 92

[By ITAR-TASS correspondent Evgeniy Belovitskiy]

[Text] Yuzhno-Sakhalinsk June 16 TASS—Although the Russian far eastern island of Sakhalin has gone ahead in selling state property compared to other regions of the country the peak of privatisation throughout the federation will take place in the coming months, Valeriy Makharadze, Russian deputy prime minister, said on Tuesday [16 June] while visiting the Sakhalin Island.

He welcomed the privatisation efforts of the local governor, Valentin Fedorov, but added Sakhalin experiences the same drawbacks in the issue as the whole of the country.

Makharadze said privatisation should have legal and financial grounds. Bank credit interest rates are too high, the absence of legal protection does not promote private enterprise either. The cash money deficit is another problem which is to be solved by increasing payments in credit, according to Makharadze.

The deputy prime minister flew to Khabarovsk on Tuesday to continue his tour of the Russian Far East.

Far East Currency Program Questioned

PM1606121192 Moscow IZVESTIYA in Russian 11 Jun 92 Morning Edition p 7

[Aleksey Tarasov report: "The 'House of Aquarius' and Krasnoyarsk Money"]

[Text] I had heard from kray officials back in January that there were plans in Krasnoyarsk Kray to introduce its own regional money. Now the first consignment of the new money has been printed in Novosibirsk and will soon be delivered to Krasnoyarsk.

The kray currency has several names. The official ones are "internal accounting unit" or simply "unit." To ordinary citizens it is the "augram" [as transliterated]. Outwardly it looks a little like a dollar. True, in place of the president's head there is the Yenisey provincial coat of arms—now that of the Krasnoyarsk Kray: an exotic lion with its front paws clutching the tools of labor—a spade and a sickle. Above the coat of arms is an inscription which for the moment means little to Siberians—"House of Aquarius." It is the name of a financial association with authorized capital of 5 million rubles [R]. It is known to have four founders; who exactly they are is not for the moment being revealed.

It was 30-year-old Oleg Leonov, a leading specialist at the Krasnoyarsk Territorial Administration of the State Committee for Antimonopoly Policy and Support for New Economic Structures, who "created" the augram. The organization as such is not involved in the augram's creation: Oleg began to make his idea a reality before he was put on the administration's staff. The new money, so its inventor maintains, owes its appearance entirely to a private initiative.

I did not get the chance to meet with Leonov—he is now in Moscow. I am making use of an interview he gave to the newspaper KRASNOYARSKIY KOMSOMOLETS and his collaborators' testimonies.

The plan is for the Krasnoyarsk money to be introduced not instead of the ruble, but alongside it. Leonov considers that the new money's basic and most typical attribute will be that it will be protected from inflation. How? The possible scenario suggested by the project's author is in summary the following: House of Aquarius will issue the new kray money. At the beginning of the augram experiment it is planned that one payment unit will be worth approximately R20-30, that is, the augram is to represent the ruble of the stagnation period.

Once a day the ruble inflation level will be calculated, and in accordance with this the augram will be sold at House of Aquarius exchange bureaus at higher and higher rates—R40, 50, and more. Ideally, according to Leonov's idea, the augram should be bought and sold at a market rate—like for example the dollar or the pound sterling.

A network of House of Aquarius stores trading for augrams alone will be set up. Later on it is planned for industrial enterprises to go over to accounting in Krasnoyarsk money, which will give them the opportunity, apart from resolving the problem of "ready money," to avoid a number of taxes.

So, there are big plans afoot. In principle the augram could turn out to have quite a future. After all, this is private money which is not burdened by the budget deficit and which is not going to be "weighed down" in the future by state expenditure on the social sphere, defense, etc. If we allow that House of Aquarius has more than just the desperately bold Leonov's calculations at its disposal, if the association is able to attract professional financiers, and if its commercial activities bring in sufficient capital to defend the augram against inflation, then there is theoretically a chance that Krasnoyarsk people will come to exchange rubles for the new money. The only problem is: Where will they get these rubles from? And one other thing: Who is going to persuade them that House of Aquarius is not just a bunch of smart operators who have conceived a plan to exchange "pretend" money for the real thing and then disappear without trace?

In any event the first consignment of the regional money—2.5 million augrams in banknotes of various denominations—will soon be delivered to Krasnoyarsk. Is this a case of every man for himself? All the previous talk, rumors, scandals, and speculation surrounding the possibility of transforming Krasnoyarsk Kray into the Yenisey Republic or into a Russian autonomous okrug were merely blossom. Will this be the time of fruition?

Clearly, local money could be followed by kray customs posts, licenses, quotas for the export of raw materials and products, etc. This kind of development is most probably due to objective circumstances. Today, when the problem of the decolonialization of the Siberian territories continues to be a pressing issue, when the metropolis' diktat has changed only in form, with pressure from the ministries replaced by the local economy's dependence on the commercial structures in the capital, a program which plans to stabilize the situation if only somewhat was probably bound to emerge here.

If, in addition, reforms had finally taken off in this isolated kray, this step could in my opinion have proved justified. But the devotion of the leaders of Krasnoyarsk's economy to liberal, market values is extremely doubtful.

Bashkortostan Removes USSR From Constitution

LD1706110892 Moscow Radio Rossii Network in Russian 1100 GMT 15 Jun 92

[Text] All mention of the USSR and its bodies of power has been removed from Bashkortostan's Constitution which is in force, the NEGA agency reports. Mentions of the Soviet Union and Communism were earlier removed from the constitution of the Komi Republic.

Moreover, the amendments introduced today into the Bashkir Constitution provide for the status of dual citizenship, and make Bashkortostan an independent participant in international communications, apart from those whose implementation was transferred voluntarily to the Russian Federation.

From now on, Bashkortostan may take part in managing the property which has been transferred to the Russian Federation for resolving federal tasks. Having adopted amendments to the constitution in force, the parliament continued the second reading of the new basic law of the republic.

Bashkortostan Privatization Accounts Approved

LD1706145592 Moscow Mayak Radio Network in Russian 1000 GMT 17 Jun 92

[Text] A program for the privatization of state institutions and municipal enterprises has been approved at the session of the republic's parliament that has ended in the capital of Bashkortostan. Personal privatization accounts will be introduced for all citizens. Between 5,000 to 10,000 rubles will be entered into each such account. This initial sum will indexed to changes in the ruble rate.

Buryatia Endorses Private Land Ownership

LD1106231792 Moscow ITAR-TASS in English 2115 GMT 11 Jun 92

[By ITAR-TASS correspondent Aleksey Subbotin]

[Text] Ulan Ude June 11 TASS—Land as well as other property can be privately owned, according to the constitutional amendment passed on the last day of the parliament's session in Buryatia. The parliament ruled that its next session shall consider a special law on land. The mention of the socialist nature of its economy will be deleted from the republic's Constitution. The fundamental law recognizes a variety and equality of all forms of ownership.

The Buryat parliament also considered proposals for changes in the republic's flag. Several designs were put to the vote, with none the winner. It was made clear, however that the blue-white-yellow tricolor will be endorsed by the parliament. The next session will discuss details.

North Caucasus Units Prepare for 1992 Harvest

PM1106102992 Moscow KRASNAYA ZVEZDA in Russian 10 Jun 92 p 2

[Report by Colonel N. Kiselev: "Army Preparing for Harvest"]

[Text] In accordance with the Russian presidential decree, military units, combined units, and institutes at military districts and Armed Forces branches of service have embarked on preparations for the 1992 harvest campaign. The assemblies held in the North Caucasus Military District were devoted to this.

The assemblies were addressed by Major General A. Bogomolov, chief of staff in charge of the Russian Defense Ministry's motor vehicle battalions, and by representatives of Defense Ministry and Agriculture Ministry main directorates and administrations.

More than 50 percent of motor vehicles stood idle during last year's harvest through no fault of the military's. This time 40 motor vehicle battalions (20,000 vehicles) have been allocated. They will work on a contract basis in 15 of Russia's krays and oblasts.

Food Vouchers Issued in Tatarstan

LD1306141492 Moscow POSTFACTUM in English 1224 GMT 12 Jun 92

[Text] Kazan—Tatarstan Cabinet of Ministers reported that every citizen of the republic is to get 5 vouchers of R [ruble] 100 nominal value each. The vouchers are intended for purchasing meat, sugar, butter, margarine and vodka. Moreover, a monthly vodka norm—2 bottles—will remain the same, while for the rest foodstuffs it will be increased: sugar—up to 2.5 kg, sunflower oil—up to 400 g [grams], margarine—up to 500 g.

According to available information, coupons for these kinds of products will be abolished, however rationcards for sugar and vodka will remain. The vouchers will be accepted by cash department thereby replacing coupons and money. If the cost of a purchase exceeds the voucher's nominal value, extra payment in rubles is not

ruled out. In case a customer doesn't need vodka and sugar, he or she can buy other products instead out of the mentioned list.

Food vouchers will be handed out at the place where wages, pensions, stipends and allowances are usually received. Vouchers for children will be most obviously handed out at their mothers' work places. According to PF [POSTFACTUM] information, it is not obligatory to take half of wages in cheques. However, those who refuse to do so are automatically deprived of the opportunity fo buy these products at prices regulated by Tatarstan Government. Tatarstan Cabinet of Ministers draws attention to the fact that introduction of vouchers does not mean the transition to national currency. This is only an opportunity to solve the problem of cash money shortage. As soon as the situation is normalized, the vouchers will be abandoned.

Amur Residents Protest Against Waste Facility

LD1606112992 Moscow ITAR-TASS in English 0822 GMT 16 Jun 92

[By ITAR-TASS correspondent Svetlana Kalashnikova]

[Text] Pereyaslavka (Khabarovsk region) June 16 TASS—Inhabitants of the Lazo District in the Khabarovsk territory have staged acts of protest against the construction of a facility to bury toxic waste in their territory.

According to information from the territorial and district ecology committees, it is planned to build the largest facility in the territory here to process and destroy toxic production waste delivered from enterprises located in Khabarovsk and Komsomolsk-on-Amur.

An ecologically clean site has been chosen for the purpose. Two Amur tributaries begin here. A year ago, work began here to restore valuable species of trees.

Participants in the protest action demanded that experts carry out necessary studies and supply information on the capacity and operations of the facility to be built, as well as on the toxic waste processing and transportation technologies.

Chelyabinsk Enterprise Ready To Convert Arms

PM1706155592 Moscow ROSSIYSKAYA GAZETA in Russian 15 Jun 92 First Edition p 1

[Report from ROSSIYSKAYA GAZETA, ITAR-TASS "News" column: "Tanks and Aircraft for Conversion"]

[Text] "We are ready to convert military hardware, ready to adapt our technology for this purpose," Lev Zhizmor, director of the Chelyabinsk "Vtorchermet" association, said in the local press. And these are not empty words. Only recently the enterprise got to work on a large tank and started converting military aircraft. To this end a contract with the local higher air force command school for navigators provides for the transfer to the association of 23 aircraft that have outlived their useful life. Interestingly, a team of cutters led by N. Blinov, recently a pilot and now an engineer at "Vtorchermet," is handling the dismantling of equipment which the association is unused to.

Urals Arms Plant Produces Heart Pacemakers

PM1706143192 Moscow Russian Television Network in Russian 1900 GMT 15 Jun 92

[From the "Vesti" newscast: Video report by V. Dydin]

[Text] [Video shows firearms] [Dydin] For many years our defense industry, screened from the world by a multitude of missiles and guns, did not bother about ordinary people's worries and troubles. And yet a glimmer of hope is beginning to appear that this is being rectified. The Izhevsk Mechanical Plant state enterprise, which is famous for its firearms, has come to the assistance of people suffering from an irregular heartbeat. Last year programmable electrocardiostimulators, or pacemakers as they are called abroad, started being manufactured here. The device, which is inserted under the patient's skin, maintains regular heart contractions and is set by a special programmer. It is a reliable means of protection against cardiac arrest. According to an assessment by American specialists, the mechanics' product is not at all inferior to Western models. [video shows inside and outside of plant, guns, pacemakers being made]

International Affairs

Kravchuk Begins France Visit, Meets Mitterrand

LD1706060392 Moscow ITAR-TASS in English 0543 GMT 17 Jun 92

[By UKRINFORM and ITAR-TASS special correspondents Sergey Batyrev and Viktor Demidenko; from the "ITAR-TASS World and Home News-in-Brief Column" for 17 June]

[Text] Paris, June 17 TASS—The development of cooperation between Ukraine and France in all fields and Ukraine's rapprochement with Europe were the principal topics of discussion during the first day of Ukrainian President Leonid Kravchuk's visit to France on Tuesday [16 June].

Kravchuk had a meeting with French President Francois Mitterrand and signed the Charter of Paris for a New Europe. The two presidents signed a French-Ukrainian treaty of mutual understanding and cooperation.

Economic issues were the main subject of a meeting between the Ukrainian leader and French Prime Minister Pierre Beregovoy.

The Ukrainian leader attended a ceremony to open Ukraine's world trade centre in Paris. The centre is called upon to make an important contribution to the development of business contacts between Ukraine and France.

The president of Ukraine received representatives of a number of French companies and banks such as Rhone-Poulenc, Credit Lyonnais and Electricite de France.

The conversation with the president of Ukraine dealt with how to elevate cooperation to a higher and new qualitative level, Maurice Malle, a general director of the state-run petrochemical company Elf Aquitaine, who is in charge of contacts with Eastern European countries, told the correspondents.

European security issues and contacts between the two countries in the military field were the subject of a meeting between the president of Ukraine and French Defence Minister Pierre Joxe on Tuesday night, followed by talks between the two countries' defence ministers.

Endorses Nuclear Arms Accords

LD1706185492 Moscow ITAR-TASS World Service in Russian 1615 GMT 17 Jun 92

[By ITAR-TASS correspondent Sergey Batyrev and UKRINFORM special correspondent Viktor Demidenko]

[Text] Paris, 17 Jun—Ukraine endorses the accord on the large-scale reduction in strategic nuclear weapons reached yesterday by Russia and the United States. This was stated here today by Ukrainian President Leonid Kravchuk, who spoke at a news conference devoted to the results of his two-day visit to France, which ends this evening. The president recalled that Ukraine has proclaimed its intention to become a nonnuclear power, and therefore its attitude toward any step taken in the field of nuclear disarmament is naturally positive. At the same time L. Kravchuk stressed that the accords reached in Washington during the Russian-American summit apply to Russia alone, as the other three republics of the former Soviet Union possessing nuclear weapons—Ukraine, Byelarus and Kazakhstan—are now independent participants in the treaty on the limitation of strategic nuclear weapons reached by the United States and the USSR.

Journalists asked him if relations between Ukraine and other states, primarily Russia, were discussed in his conversations with the French leaders. The Ukrainian president replied that there was no special discussion of these problems; however, he mentioned to the French leadership the way Ukrainians view relations between the states of the former Union, and, in particular, relations with Russia. Relations between Ukraine and Russia, L. Kravchuk stressed, will be discussed at my upcoming meeting with Russian President Boris Yeltsin on 23 June. There is agreement that we will discuss our relations in the broad sense as well as the whole range of existing problems, without taking any single acute issue outside the general context—something which, according to L. Kravchuk, has lately been done frequently and sometimes quite intentionally. We want to have equal and wide-ranging relations with Russia, the Ukrainian president continued, the kind of relations that will correspond with our history and contemporary reality.

The Crimean issue, that is, the situation around Crimea and the future of the Black Sea, will not be dissussed during the upcoming meeting with the Russian president, L. Kravchuk said in reply to journalists, who showed lively interest above all in the "acute issues" that the Ukrainian president mentioned. The Crimean problem, the Ukrainian leader stressed, is for Ukraine and Crimea to consider, and therefore this issue cannot be the subject of interstate talks. As to the future of the Black Sea, the Ukrainian leader said, this issue must be tackled by the states involved, that is, Ukraine, Russia, and Georgia. Addressing the journalists, L. Kravchuk confirmed Ukraine's intention to create its own currency and withdraw from the ruble zone. However, he stressed, we will do this only after we reach agreement with Russia on the subject. We would not like to see Russia or Ukraine badly affected by this measure, he stressed.

Commenting on the recent decision by Russia to strengthen guards at the Russian borders, the Ukrainian president said that this step is Russia's domestic matter. At present, he stressed, the corrupt mafiosi organizations are taking out of Russia objects of tremendous value. What is more, other borders as well as the Russian-Ukrainian border are used to smuggle out the national wealth of Ukraine. So, order must be introduced in this field, too. In the fullness of time we would like, generally

speaking, relations between Ukraine and Russia to become similar to those between Canada and the United States, the Ukrainian president concluded. This is our ideal. However, Russia, like Ukraine, must want such relations as well, L. Kravchuk said.

The journalists were interested, among other things, in the Ukrainian leader's attitude toward the Commonwealth of Independent States. For us, the CIS is a structure which can still play an important role, he said. In order to achieve this, however, all the CIS members must be equal, while none of the states should try to impose its policy on the others, Kravchuk added. Besides, he noted, in the framework of the CIS, mechanisms must be created to ensure compliance with the decisions adopted, and even to force the Commonwealth member states to abide by them. Currently, the Ukrainian president thinks that the situation that has arisen in the CIS is not normal. Decisions are being adopted, but nobody abides by them. This compromises the Commonwealth, L. Kravchuk asserted. At the same time he rejected allegations that "Ukraine is trying to destroy the CIS." Ukraine is trying to make this structure work, he said. If this structure does not work—which is what we have at present—it means that it is redundant, he noted. [passage indistinct] Today, broad opportunities are opening up for France and Ukraine to develop cooperation in all spheres, he stressed.

L. Kravchuk said that he invited French President Francois Mitterrand to pay a visit to Ukraine, and that the invitation was accepted.

Notes Confrontation Risk

LD1706143292 Paris France-Inter Radio Network in French 1400 GMT 17 Jun 92

[Text] In Paris the Ukrainian president has exposed the risks of confrontation with Moscow, and the imperial ambitions of Russia. He says that Russia does not want to be an equal partner with the others in the Commonwealth of Independent States. At the same time Leonid Kravchuk made an appeal to European investors to come and take part in the reconstruction of his country.

Ends Visit

LD1706200992 Moscow ITAR-TASS in English 1958 GMT 17 Jun 92

[By ITAR-TASS and UKRINFORM correspondents]

[Text] Paris, June 17 TASS—Ukrainian President Leonid Kravchuk left France for Kiev on Wednesday [17 June], thus completing his two-day official visit. Kravchuk held talks with French President Francois Mitterrand, with Prime Minister Pierre Beregovoy and other officials and signed the Paris Charter for a New Europe. The two presidents also signed a treaty on mutual understanding and cooperation between Ukraine and France.

On the second day of his visit Kravchuk was received in the French Senate, he visited the headquarters of French National Council of Entrepreneurs and met with representatives of Ukrainian community in France. Kravchuk also visited the Kiev twin-city of Toulouse and watched the work of a nuclear power station and the French airspace concern.

Aims of Kravchuk Visit to Paris Viewed

PM1806111192 Moscow IZVESTIYA in Russian 17 Jun 92 Morning Edition p 1

[Yuriy Kovalenko report: "L. Kravchuk in Paris Preparing the Ground for Ukrainian Entry into the EC"]

[Text] Paris—At the same time as Boris Yeltsin is holding talks with George Bush in Washington, Leonid Kravchuk is starting his discussions with Francois Mitterrand in Paris.

These discussions are mainly devoted to European problems and bilateral relations. First and foremost in the Elysee Palace, the Ukrainian president will sign the CSCE's Paris Charter and confirm his country's intention to take an active part in all-European cooperation. Kiev is hoping for support from Paris on this score.

It may be assumed that the Ukrainian president will explore the possibility of Ukraine's joining the EC. At least Lionel Stoleru, a former French minister and current economic adviser to L. Kravchuk, stated recently that Ukraine is the only republic of the former Soviet Union that could in the future become an EC member.

Paris is not least interested in the future of the nuclear arsenals located on Ukrainian territory. There is lively discussion here of L. Kravchuk's recent statement that B. Yeltsin does not have a mandate to discuss the disarmament problems of other states of the former USSR at his meetings in Washington, and that Ukraine intends to ratify the START Treaty as soon as possible.

Paris is watching the zigzags in Russian-Ukrainian relations with concern, above all their effect on nuclear weapons, the Black Sea Fleet, and Crimea. On the eve of L. Kravchuk's visit the Ukrainian Foreign Ministry sent a letter to the French Foreign Ministry, and to the foreign policy departments of all other states, saying that all the former USSR states are entitled to their share of all-Union property abroad. The Ukrainian Foreign Ministry is therefore asking France—until this problem is resolved within the CIS framework—to ensure that this state property and the property of former all-Union nongovernment organizations and juridical persons on French territory are preserved intact and that all attempts to change its status are cut short.

During his visit the Ukrainian president will also sign a treaty of friendship and cooperation with France and an agreement about offering assistance in setting up a higher administration school in Kiev. In addition, it is expected that a document on establishing a Ukrainian

trade center in Paris will be signed; this will be a joint-stock company in which both French and Ukrainian capital will be invested.

Ukrainian representatives are putting special emphasis on the fact that the president has come to France not to ask for money but to propose cooperation and explain the advantages that French businessmen will gain from investing capital in the Ukrainian economy. For this reason, among others, the Ukrainian president is holding two meetings with business circles. Kiev is also hoping for assistance from Paris on conversion issues—to this end a delegation of French military personnel and industrialists headed by Secretary of State for Defense J. Mellick visited Ukraine at the beginning of March.

Diplomatic Ties Set With Sudan, Tajikistan

AU1006153092 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 10 Jun 92

[Text] As has become known to a correspondent of Radio Ukraine World Service, the Republic of Sudan has established diplomatic relations with Ukraine by way of exchanging notes.

This is the 78th country with which diplomatic relations have been established. One day earlier, a corresponding document was received from Tajikistan.

Belgian Ambassador Presents Credentials

AU1306140192 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 12 Jun 92

[Text] (?Ingeborg) Christofersen, appointed as Belgian ambassador extraordinary and plenipotentiary to Ukraine, yesterday presented credentials to Ukrainian President Leonid Kravchuk. She has become the 12th foreign ambassador in our country.

Italy Offers Help for Mine Disaster Families

LD1706170292 Kiev Radio Ukraine World Service in English 0000 GMT 17 Jun 92

[Text] In connection with the tragedy on the Skodilska-Skhidna mine in Lygansk region the bureau of the board of the Ukrainian Peace Fund has allocated 60,000 rubles to help the families of the victims of the catastrophe. The Ukrainian Peace Fund expresses deep condolences to the families of the dead.

On behalf of the Government and people of Italy the Italian ambassador in Ukraine, Vittorio Surdo, expressed deep condolences in connection with the accident at the Skodilska-Skhidna mine and asked to convey sympathy to the families of the miners who perished. The ambassador offered support and assistance in the realization of any initiatives which the Government of Ukraine considers necessary in connection with the disaster.

National Affairs

Supreme Soviet Session Discusses Criminal Laws

LD1806075892

[Editorial Report] Kiev Ukrayinske Radio First Program Network in Ukrainian at 1455 GMT on 17 June carries 12-minute live or recorded relay of the proceedings at the 17 June Ukrainian Supreme Soviet session. President Kravchuk did not attend the proceedings.

An unidentified session chairman is heard to say that President Kravchuk will return on 18 June to attend the plenary parliamentary session. The same speaker outlines the 18 June work, which includes considering the draft bill on the 1992 budget, a draft bill on the state's internal debts, a bill on housing, and the issue of Ukraine's justice minister. The speaker adds that tomorrow parliament needs to ratify the agreement on trade relations between the United States and Ukraine, adding that he spoke to the U.S. ambassador during a recess today and the ambassador reminded him that this matter needs to be handled expeditiously.

At 1507 GMT the relay ends. Commentator Oleksandr Bol talks for four minutes, summing up today's proceedings. He says: "A Ukraine draft law on general principles for the creation and functioning of special free economic zones was adopted in its first reading almost without discussion. It is a good draft. After this deputies began discussing a law on the procedure for applying punishments for crimes and administrative penalties in the form of fines. This law was adopted. The sizes of the fines will be increased ten-fold. Moreover, the task was set to settle fines not in rubles but in terms of minimum wages."

He adds: "At the evening session a draft law was adopted in its first reading on introducing changes to criminal and criminal procedure codes and the code on administrative offenses. One thing has to be noted. There seems to be the decriminalization of some so-called crimes. The matter of making liquor illegally was discussed. The majority of deputies agree that the possibility for making liquor and home wine should exist if people use it for themselves, but selling is possible only if one has a license or other documents, and only via state channels."

Commentator Bol mentions other work of the session, then says: "A decision was also adopted today on the right to own individual types of property." He then talks about other issues that were raised and discussed, ending by noting that the 18 June plenary session will start at 0700 GMT.

Opposition Demands Government Resignation

OW1706152092 Moscow INTERFAX in English 1332 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The Ukrainian parliament continues discussing the issues included in the agenda of the session which was opened in the beginning of this week. Wednesday [17 June] the deputies are expected to discuss changes and amendments to the constitution due to the adoption of a decree on president's local representatives, and on introduction changes into the republican system of court structure, in particular, corresponding amendments to the Constitution and Criminal Code are being discussed. This parliamentary session is to discuss draft laws on special economic zones, on using promissory notes in Ukraine's economy, on changes in criminal code, and on ownership on separate kinds of real estate.

The session is conducted in a working atmosphere, IF [INTERFAX] reports.

Meanwhile the opposition undertakes more active efforts in its campaign for resignation of Vitold Fokin's government and in support for a representative constituent meeting to adopt a new constitution. Tuesday Aleksander Moroz, a leader of the Ukrainian Socialist Party, announced on the transition in the opposition to the current Cabinet blaming the government for its "untalented anti-people policy" and "for its inconsistency to draw economy out of crisis". (The Socialist party which considers itself an ideological successor of the Communist party of Ukraine is one of the most influencing forces in the parliament as half of 450 deputies of the Supreme Soviet support its activity).

At a meeting in Kiev the same day one of "Rukh"s leaders Vyacheslav Chornovil declared about their intention to struggle for the resignation of the government and disbandment of the Supreme Soviet. According to Chornovil, dismissal of the government is to take place in the near three months.

Moscow Daily Reports on Crimean Developments

PM1606150992 Moscow ROSSIYSKAYA GAZETA in Russian 15 Jun 92 First Edition p 3

[Report by Vyacheslav Lebedev: "But You Have To Be a Citizen... Otherwise You Get Neither Pension Nor Pass"]

[Text] The period during which the Law on a Referendum in Crimea was suspended as a result of an unwarranted official order from Kiev has expired. It is unclear how events will develop in the future. But the Crimean Republican Movement has already decided on its course. On its initiative a tent city was set up in the square outside the Supreme Soviet building. The 20 or so tents, including a Crimean Tatar one, will not be removed until the referendum on the question of the peninsula's independence, set for 2 August, is over.

Meanwhile, Kiev made it incumbent on Crimeans to take Ukrainian citizenship as of 1 June. Anyone who opposes this and will not put the trident stamp in his identity card will be unable to get a pension, money orders, or a pass. In response, the Crimean Republican Movement, guided by Article 17 of the autonomous formation's constitution on dual citizenship, issued two application forms. One is to the local Supreme Soviet for Crimean citizenship, the other is to any Commonwealth country. Hundreds of Crimeans in all parts of the peninsula are currently filling in the second application.

Ukraine's dissatisfaction showed in the fact that it treated seriously the actions of the Crimean Republican Movement and its leaders. As has been reported in ROSSIYSKAYA GAZETA, the people's court fined one of the movement's leaders, V. Zaskoka, editor of the paper SVOBODNYY KRYM [Free Crimea], on the unfounded charge of organizing pickets in support of the referendum. A few days later they tried to take further criminal action against him, allegedly for resisting arrest. But the judge was not convinced by the arguments and the case was dismissed. At tha same time, a south coast servant of the law became actively involved in the witch hunt. On the day of the Yalta meeting of emissaries of the two Supreme Soviet presidiums—Ukrainian and Crimean—a certain Zub brandished the yellow-and-blue flag and struck everyone in his vicinity with it. One women parried the blow and knocked the flag out of his hands. The militia immediately grabbed S. Raytsev, who was standing alongside and, according to Zub, is an active supporter of the Crimean Republican Movement. Within 90 minutes the court had given this totally innocent guy 12 days. He was released, however, five days later on the insistence of numerous witnesses.

Another piece of news. Henceforth Soviet champagne produced in Ukraine, will be called "Ukraine Champagne," and the labels of celebrated local winemakers will bear the name "Ukrsadvinprom," which does not sound anything like a manufacturer's name to champagne lovers.

'Crimea With Ukraine' Bloc Holds Session

LD1706115992 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 15 Jun 92

[Text] The coordination council of the Crimea With Ukraine bloc has been transferred from Dzhankoy, where it was formed, to Simferopol. A joint session of members of the Coordination Council of all regions of the peninsula took place yesterday. The topics discussed were the attitude toward the referendum and the so-called citizenship of the Crimea, and also issues of coordinating actions of forces united on the platform of the Crimea With Ukraine bloc. The need to preserve public peace and quiet and interethnic accord in the Crimea was stressed. Members of the coordination council stated that the ranks of supporters of the Crimea With Ukraine bloc are increasing. It was decided that activities will be carried out in the future directly in work collectives of industrial enterprises and village farms of the oblast.

Crimean Tatar Military Formations Said Legal

OW1706212192 Moscow INTERFAX in English 1901 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The press service of the Ukrainian Defense Ministry said that Crimea decided to form a military-construction detachment of Crimean Tatars. The detachment will be controlled by the Ukrainian Defense Ministry. The decision was made on the basis of an address by the Mejlis of Crimean Tatars.

The military-construction detachment will be stationed in Simferopol and will build housing for Crimean Tatars.

The press center's statement was issued in response to reports by the mass media on the illegality of the military formations of Crimean Tatars.

Byelarus

Defense Minister Kozlovskiy Interviewed

MK1706161692 Moscow ROSSIYA in Russian No 25 17-23 Jun 92 p 4

[Interview with Byelarus Defense Minister P. Kozlovskiy in Minsk by Natalya Anatolyeva; date not given: "The Army Is a Costly 'Luxury'"—first paragraph is ROSSIYA introduction; last three paragraphs are correspondent's postscript]

[Text]**From Our Files**

Colonel General Pavel Pavlovich Kozlovskiy is 50 years old. He graduated from the Tashkent Joint Arms Command School and two academies. He has served in the Central Asian, Transcaucasus, and North Caucasus Military Districts. He was commander of a motorized rifle regiment and then chief of staff and division commander. In 1989 he took command of the joint army stationed in Byelarus. In 1991 he became chief of staff and first deputy commander of the Belorussian Military District. He was appointed Byelarusian defense minister 22 April 1992.

[Anatolyeva] The creation of a national Byelarusian Army is one of the "signs" of a sovereign state...

[Kozlovskiy] Byelarus's Army will number 90-95,000 men and comprise three branches of the armed forces—ground forces, an air force, and air defense troops. Needless to say, its size and qualitative composition was not decided in the "blink of an eye" but on the basis of current realities.

[Anatolyeva] One of these being the excessive "militarization" of Byelarus, which has one serviceman for every 43 civilians...

[Kozlovskiy] Our task is unusually complex and delicate. I am talking about the rank and file, some of whom will be demobilized and some transferred to other units. There is no need to discuss questions of equipment here; a place and a use will also be found for it. The main problem and source of pain is our officers. We have to discharge roughly 20,000-22,000 men.

[Anatolyeva] Are you sure that this can be done "delicately"?

[Kozlovskiy] We are trying to do so. We recently discussed these matters with Vasiliy Sholodonov, deputy chairman of the Byelarusian Supreme Soviet. We decided to set up a special group to formulate a program for the reform of the previous and the creation of new troop structures. This will be a comprehensive document which will take several years to put into practice; it will make provision for gradual cuts in the army, provision of housing for officers (we have 20,000 in need of housing), and assistance in retraining them. We will inform all servicemen of this program without fail, so as to ensure that they do not have the threat of sudden discharge looming over them like the Sword of Damocles and so as to ensure that they know what the future holds. Such a massive cut in our country's armed forces, which is effectively unprecedented in history, is not our fault, but it is our problem. Judge for yourselves: Following the breakup of the Union Byelarus did not merely inherit an extremely powerful group of armed forces, but an army which was formed and trained to perform offensive tasks. Such a vast, well-oiled military machine cannot be reformed painlessly. However, we will try to get by with the least cost—I am referring above all to officers.

By way of an example confirming the desire of the republic's leadership and Defense Ministry to exploit every opportunity to ease the situation, I can cite the Byelarusian Supreme Soviet resolution that during the reorganization period servicemen with 15 years' service are to be discharged with a pension amounting to 40 percent of their pay. In present conditions it was hard to find the money for this...

[Anatolyeva] Will nationality be taken into consideration during the cutbacks in officers so as to "Byelarusify" the republic's armed forces?

[Kozlovskiy] Some 80 percent of the officers in Byelarus's forces are members of other nationalities. Your question logically stems from the real conditions that have arisen due to the breakup of the former Union, but it is quite illogical as far as we are concerned. There have been no signs of ethnic conflict in the Byelarusian Army (as in the republic, thank God). When officers are promoted, the main criteria are their professionalism, expertise, and abilities. We are appointing many officers who are not Byelarusians to important posts today, provided, of course, that they do not express a desire to leave the republic. People have not been driven out of Byelarus or its army on ethnic grounds and, I am sure, that will never happen.

Incidentally, this stance is obvious as far as the military oath is concerned. Only young troops have taken the new oath, while those who took the oath previously (myself included) have not taken it again. Why artificially charge the situation? That would be foolish. I would not use the term "national" at all with regard to the army. There is a more accurate word—state.

[Anatolyeva] What is Byelarus's military doctrine?

[Kozlovskiy] I would not like to anticipate events. Military doctrine is always a question of state laws; however, they have not yet been fully formulated or enshrined in legal documents. I will therefore merely point out the main element: Byelarus's Armed Forces will perform one task—that of defense. If the need arises, soldiers and officers will defend Byelarusian territory. But the Byelarusian Army will never seek enemies on its own, it will never look on its neighbors—Russia, Ukraine, and Lithuania—with suspicion and hatred.... Our country will be nuclear-free and neutral, that is the basis and essence of our military doctrine. Last, the republic's defense concept will, without fail, be coordinated with

the security concept of other states in the Commonwealth and Europe. The decision to be a nuclear-free state was reached by the people as a result of the grave ordeals they have endured. We have seen and experienced too many wars. We are all too well aware of what a nuclear disaster is. There is no need to look for other "undercurrents" in our desire to create a neutral state.

[Anatolyeva] Do you then need an army at all in that case, much less a fairly impressive one? Perhaps this is inadvisable, at least from the economic viewpoint?

[Kozlovskiy] Certainly, an army, any army, is a costly luxury. But regrettably we cannot do without one today. We hope for a calm and peaceful life; nevertheless people must have guarantees that their interests, territory, and independence will be protected.

[Anatolyeva] Making forecasts is a risky business, but nevertheless how do you see the future—in the military-political context—for relations between the former components of the former Union?

[Kozlovskiy] I think that rapprochement will resume after some time. I think that it will primarily be a question of military-technical, industrial, and economic cooperation. If you are referring to the creation of various military alliances and blocs, I repeat that Byelarus is firmly and fundamentally neutral and, in accordance with the republic's legislative acts, it is unacceptable for us to join such organizations.

I am on the whole absolutely convinced that centripetal forces—forces of rapprochement—will shortly start to operate in relations between the former union republics.

[Anatolyeva] In other words, everything will be fine, we will avoid military wrangling and strife?

[Kozlovskiy] We hope so.

[Anatolyeva] What if..?

[Kozlovskiy] No. That won't happen!..

P.S.

Needless to say the new Defense Ministry and its minister have far more problems than may appear from this conversation. During the confines of a 12-minute interview we could not even fit in a tenth of the trenchant questions facing Byelarus today in connection with the creation of its own army. These include the return of Byelarusian officers from other regions—without apartments and without the prospect of service at home; lack of money as a result of which servicemen will not even receive their own uniform—it costs roughly 15,000 rubles to provide one person with a uniform today. Add to that housing construction, wages, cadre training, and the upkeep of high-technology military equipment.... The decline in troop discipline and reluctance on the part of a large number of young people to serve in the army are also alarming symptoms of the unstable, unreliable situation.

Nonetheless Col. Gen. Kozlovskiy, Byelarusian defense minister, has hopes of better things: The Byelarusian Army will not be an additional source of anxiety and danger but a guarantor of tranquillity and protection.

All Byelarus' 10 million citizens would also very much like to believe this. No one wants to see each other as enemies, nor our neighbors with whom the Byelarusians are closely linked, not only historically, economically, and culturally, but also by blood ties.

Moldova

Minister Says Dniester Violates Cease-Fire

LD1706125492 Moscow ITAR-TASS World Service in Russian 0846 GMT 17 Jun 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau, 17 Jun—Despite the efforts of Moldova's parliament and a number of deputies from the Dniester Region to work out measures for a peaceful settlement of the situation in the left bank regions, the situation in the conflict area remains tense.

Speaking to Moldova's parliament, Defense Minister Ion Costas accused the Dniester region of violating the cease-fire agreements. In his words, the positions of Moldovan carabineers and police have been fired on several times with sub-machine guns, mortars, and other weapons. There are wounded people. The police and carabineers fired back only when guardsmen and Cossacks made direct attacks on their positions.

Constantin Antoci, the republic's minister of internal affairs, stressed that the crime situation in the conflict zone remains extremely dangerous. The Moldovan police are unable to carry out their duties because policemen are being subjected to attacks by armed formations of the Dniester region.

According to information from the Tiraspol press center, the Moldovan side fired on guard positions last night in a number of villages in Dubossary Rayon and on a militia post in the town of Bendery. There was no fire in response. In accordance with a mutual accord between field commanders, the firing was halted. The Dniester Region Defense Committee has made a statement in which officials and some of the mass media of Moldova are accused of deliberately distorting the actual state of affairs in the conflict zone. It says that over the last half month alone, 12 people have been killed, 13 injured, and dozens of houses and apartments destroyed or burned down as a result of shelling by Moldovan formations.

Smirnov Rejects Peace Proposal Package

LD1706191792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 17 Jun 92

[From the "Novosti" newscast]

[Text] Today, in Tiraspol, the Dniester-Moldavian Republic parliament is debating the package of peace proposals drafted by the mixed commission, and approved yesterday by the Supreme Soviet of Moldova. Dniester President Smirnov has said that these proposals were impermissible, as they are not able to put an end to the war and did not take into account the interests of left bank residents.

Groups To Monitor Settlement of Dniester Crisis

LD1806111392 Moscow ITAR-TASS in English 0957 GMT 18 Jun 92

[By ITAR-TASS correspondent Fedor Angeliy]

[Text] Chisinau, June 18 TASS—Working groups will be set up to monitor the peaceful settlement of the crisis in the Dniester region of Moldova, the cease-fire agreement, the disengagement of armed units and their disarming, according to a decision of the Moldovan parliament.

The parliament approved on Thursday [18 June] the plan worked out by the joint commission on a peaceful settlement which grants the Dniester region a special legal status. A special form of administration will be introduced in the city of Dubossary and its region which will be defined by bilateral consultations.

The groups are to work out proposals on including the units of Dniester guardsmen into the Moldovan Armed Forces.

They will also have to ensure normal functioning of economy, provide for a safe return home of refugees and a refund for damage to them.

Snegur: 'Certain' Cabinet Structures 'Corrupt'

OW1706171492 Moscow INTERFAX in English 1645 GMT 17 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin from "Presidential Bulletin;" transmitted via KYODO]

[Text] At a meeting with a group of writers in Chisinau Tuesday [16 June], President Mircea Snegur said that "any attempts at turning the republic into a federal state are prompted by the alien models of state organization and they are unacceptable for the country".

In the meantime, the head of government had to publicly admit that "certain cabinet structures now asking to resign were corrupt". In order that "such occurrences would not be repeated", the president deems it necessary to conduct an attestation of the employees working in the ministries with the view to reducing their number. In the opinion of Mircea Snegur, there is "apparent bureaucratization of the ministerial offices" in the republic today.

Kazakhstan

Nazarbayev Ready To Take 'Drastic Measures'

OW1706171292 Moscow INTERFAX in English 1645 GMT 17 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin from "Presidential Bulletin;" transmitted via KYODO]

[Text] President Nursultan Nazarbayev has attended today, Wednesday, the resumed session of the Republic's parliament. In the morning a report was made on agriculture and support for the agro-industrial complex by Vice-Premier Boltash Tursumbayev.

After some criticism of the situation in agriculture the Vice-Premier mentioned that last year's grain yield was 13,200,000 tonnes—the lowest in the past 15 years. Though the Republic is badly short of foreign currency, it has scraped enough to buy 1 mn [million] tonnes of grain to fill partly the shortage of 2,800,000 tonnes. Urgent measures are being taken to buy 500,000 tonnes more. Forecasts for this year's yield are optimistic: the 23 mn hectares tilled in the Republic are expected to yield 25-26 mn tonnes of grain, of which Kazakhstan will reserve for its needed 12 mn tonnes.

B. Tursumbayev emphasized that the state budget "can't endlessly finance" losing enterprises. On the other hand, he finds that to stabilize the situation some more support should be given to such concerns since "to hurl them upon the mercy of the market forces might produce a negative effect". For that purpose he requested a short-time government credit of rbl [ruble] 17 bn [billion]. The overall credit for agriculture, he said, should be rbl 35 bn. He reminded, though, that last year's special low-rate credit of rbl 20 bn "failed to improve the situation in agriculture".

Speaking on privatization the Vice-Premier admitted the process was still slow in rural areas. He said by April 1 over 1,000 farm cooperatives had been set up and 5,000 farmers had received land for cultivation. This year 1,480 state farms are to be privatized—most of them losing now.

While the Vice-Premier was making that report, opposition parties were holding a rally in front of the parliament building demanding the government's resignation. The deputies had to interrupt the session and then proceed in camera.

IF [INTERFAX] Note: The leaders of the public movements "Zheltoksan" and "Azat", also of the Republican Party, had led on to the square before the parliament building up to 5,000 people. The opposition demands a resignation of the Prime Minister Sergey Tereshchenko and of five Vice-Premiers—of the Interior, KGB, of the press, and others. The speakers at the rally insisted on forming a coalition government since, as they said, the old leadership has lost the trust of Kazakhstan's people.

The political leaders insist that those deputies who were "elected" as part of the Communist Party or Young Communist League and other public organizations' lists should be stripped of their status—they hold 85 out of 360 seats. In an interview with IF the leader of the "Zheltoksan" party Hasen Kozhahmetov said that if parliament rejects the demands of the rally, his party will soon organize a 100,000-strong protest and further events might follow "the Dushanbe script."

An IF correspondent was told by well-informed sources the session was then addressed by President Nazarbayev who assessed the situation in the Republic's capital as "fraught with a rift in society". In his opinion, young people are being provoked to act against the government "by some persons seeking popularity in that way".

The same sources inform us that N. Nazarbayev proposed forming a special deputies' group to prepare a Supreme Soviet ruling by the end of the day on the current events outside parliament. He called on the deputies to consider urgently a ban on unregistered political parties and asked the office of the Attorney General to start a criminal investigation into "the instance of insulting the honor of the deputies and the President".

According to our sources, N. Nazarbayev intends to take drastic measures against violators of law and order. He compared the situation to the recent events in Los Angeles where the American President sent 4,000 national guards into the city to stop the violence.

Riot Police Tear Down Camp Outside Parliament

OW1806120792 Moscow INTERFAX in English 1023 GMT 18 Jun 92

[Transmitted via KYODO]

[Text] On Thursday [18 June] morning the riot police of Kazakhstan cleared away the tent camp of nationalist opposition parties Zheltoksan and Azat and the Republican party outside the parliament building. The parliament is now cordoned off by the police.

The opposition demands the resignation of the government and the removal from parliament of 85 members elected from the communist party, the YCL and other no longer existing structures.

An Interior Ministry spokesman told IF [INTERFAX] that the action of the opposition was illegal because the city authorities had not authorized any rally outside the parliament building.

Tajikistan

President Nabiyev Visits Collective Farms

LD1706133592 Dushanbe Radio Dushanbe Network in Tajik 1200 GMT 15 Jun 92

[Excerpt] On 14 June Tajik President Rakhman Nabiyev visited a number of collective and state farms, including

the independent farms situated in Tursunzada Rayon. During this visit, he met with various groups of the population. Some meetings were held directly on the land. At these meetings discussions were held on the problems and present-day state of agriculture, eradicating the consequences of the natural disaster, improvements in the provision of [words indistinct], and the social conditions of toilers in rural areas.

Reference was also made to the interethnic relations. Rakhman Nabiyev said that Tajiks are always [word indistinct]. As before, they want to live with other nationalities residing in the republic in fraternity and friendship. We are making efforts to protect people, ensure security, and safeguard their land and property. Our success and tranquillity depend more than anything else on ourselves, said Nabiyev. Our programs will only be implemented if law and order are observed. One should resolutely stop the forces who are pushing society toward conflict as a result of improper actions. We will only be able to survive this great crises by consolidating an atmosphere of understanding and fraternity, honest, and fruitful work. [passage omitted]

Adviser Announces Price, Salary Increases

OW1706181592 Moscow INTERFAX in English 1609 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The state adviser to the Tajik President Rustam Mirzoev said in an interview with "IF" [INTERFAX] that in the first six months of this year prices rose 4 times their previous level while salaries grew only 2.3 times. Mirzoev said during the same period production dropped by 13.2%, the production of consumer goods dropped by 19%, construction fell by 2.2 times and capital investment by 3.3 times.

Officer Remarks on Jurisdiction of Troops

LD1706192292 Moscow ITAR-TASS in English 1600 GMT 17 Jun 92

[By KHOVAR correspondent Salokhiddin Ergashev for TASS]

[Text] Dushanbe June 17 TASS—"Tajikistan should have its own army but its creation is connected with the solution of complex economic problems which will take long time," Mukhridin Ashurov, newly appointed commander of the Dushanbe Military Garrison, said on Wednesday [17 June].

Speaking about the legal status of his garrison following the collapse of the Soviet Union, Ashurov said the Motorised Rifle Division (the only division stationed in the republic) is financed and controlled by the Russian Defence Ministry, while the Tajik president is authorised to make decisions on its location.

During the transition period, the troops station in Tajikistan should remain under control of the Russian Defence Ministry, Ashurov said.

Communist Activity Linked to 'Bloodshed'

LD1706093792 Dushanbe Radio Dushanbe Network in Tajik 0700 GMT 14 Jun 92

[Text] Until the activity of the Communist Party in Tajikistan is legally halted, calm in the country will not be established. This was the basic topic of the speeches at the gathering in (?Mavchokskiy) rayon at the gathering organized on 11 June by the democratic forces of the rayon, which followed aid-i Kurban prayers.

Those present expressed serious anxiety over the unexplained and secret visit by Communist Party Chairman Shodi Shabdolov to (?Mavchokskiy) Rayon and Leninabad Oblast, on the occasion of aid-i Kurban. The rayon popular forces leaders expressed anxiety over the fact that every visit by the communist leader to this or that rayon has led to serious consequences. After the secret and unofficial visit to the Kulyab Oblast, bloodshed resulted in the city of Dushanbe.

The halting of the activity of these forces inherited from the CPSU in Tajikistan was one of the decisive demands of those gathered in Dushanbe, to which the leadership of the republic turned a blind eye. At the gathering in (?Mavchokskiy) Rayon, the activity of the president and his (?discredited) team came under strong criticism. Those present blamed the president for not taking any steps toward halting communist activity. Our correspondents have stated in their reports on the results of the visit of Shodi Shabdolov that, in his meetings with the rayon Communists and their leader Sayed Sharif Sharipov, Shabdolov reassured them that the National Reconciliation government is a temporary step and that at a later stage it will be replaced by a communist modeled government.

In conclusion, it is stated that irrespective of the secret visits by the communist leader, the people are gradually distancing themselves from such people. Recently in [word indistinct], communist activity was made illegal, the administration building was confiscated, and the statue there was removed from the center of the rayon.

Turkmenistan

Preparations for Upcoming Elections Begin

OW1706175492 Moscow INTERFAX in English 1646 GMT 17 Jun 92

[Report by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin from "Presidential Bulletin"; transmitted via KYODO]

[Text] Aleksandr Dodonov, deputy chairman of the central election committee, informs the INTERFAX

that Turkmenistan is prepared for the presidential elections scheduled for June 21. In his words, all the 1400 polling stations have been stocked with ballot sheets, and the people going out of the republic have already voted "yes" or "no" for the republic's new head of state.

IF [INTERFAX] Note: As INTERFAX informed earlier, the republic's incumbent president Saparmurad Niyazov is the only candidate for the presidential office. It will be the first time when Turkmenistanis elect their president by direct popular voting. According to the election lists, the republic has 18,065,821 eligible voters. The final election results will be made public on June 22.

Government, Trade Unions Sign Cooperation Accord

LD1706210992 Moscow POSTFACTUM in English 1739 GMT 17 Jun 92

[From the "Politics" section]

[Text] Dushanbe—Turkmenistan's Government and the Council of the Trade Union Federation signed on June 15 an agreement on social partnership in 1992.

The agreement signed by Turkmenistan's President Saparmurad Niyazov and the Chairman of the Trade Union Federation Council Abat Rizayeva envisages the Government's commitments as regards the employment of the population, social protection, the issue of subsidies for the development of the public health and national education systems, culture and sports. Rizayeva refused to tell PF [POSTFACTUM] about the commitments assumed by trade unions. According to some sources, trade unions pledged not to raise the issue of increasing wages and not to allow labour actions. Addressing the meeting, Niyazov said the government needed uniform rather than sectoral trade unions because none of them generates profits.

Armenia

President: Russia Supplies Tanks to Azerbaijan

LD1806100392 Moscow ITAR-TASS in English 0914 GMT 18 Jun 92

[Text] Paris June 18 TASS—Russia is upsetting the balance of armaments between Armenia and Azerbaijan by violating the provisions of the agreement on an equal distribution of arms and military hardware belonging to the former Soviet army based on the territory of the two states, President of Armenia Levon Ter-Petrosyan told a press conference held here on Wednesday [17 June] following his meeting with the French President Francois Mitterrand.

The Armenian leader accused Russia of supplying 100 tanks to Azerbaijan, which the Azeri Army used for launching an attack in Nagorno-Karabakh on June 12. If Azerbaijan could know that Armenia has received the same quanitity of arms from Russia, the Baku leadership would have never risked to attack, he pointed out. Thus, the violation of the pledges made earlier by Russia is one of the reasons for the intensification of the Nagorno-Karabakh massacre, Ter-Petrosyan emphasised.

The Armenian president commented in detail a request he addressed to the French president, for taking measures to intensify the world community's actions in solving the Nagorno-Karabakh crisis. The presence of 100-200 UN observers on the Nagorno-Karabakh border will considerably reduce tension in the region and will help to control the observance of a possible ceasefire agreement, Ter-Petrosyan said. He once again said that the UN representatives must leave for Nagorno-Karabakh even before the beginning of the international conference on peaceful solution of the conflict, due to open in Minsk on 23 June under the CSCE aegis. According to the Armenian leader, he sent this request to the U.N. Security Council, and than had a talk on this issue with U.N. Secretary-General Butrus Butrus- Ghali during the conference on environment and development in Rio de Janeiro. The secretary-general promised to seriously consider a possibility of sending observers to Nagorno-Karabakh, Ter-Petrosyan specified. He expressed a view that Paris' support can help adopt an early positive decision over this issue. During a meeting with his Armenian counterpart French President Mitterrand promised to call on the UN Security Council to immediately send its observers to Nagorno-Karabakh.

The question regarding the future judicial status of Nagorno- Karabakh can be discussed only after the deployment of a peacekeeping force on the territory of this region, Ter-Petrosyan said. He categorically rejected the stand taken by Azerbaijan and Turkey, "which is supporting Baku at all international levels," according to which, first it is necessary to define the status of Nagorno-Karabakh and only after that begin negotiations on establishing peace there.

Defense Minister Interviewed on Fighting

NC1806112592 Istanbul CUMHURIYET in Turkish 9 Jun 92 p 8

[Report by Sinan Gokcen from Armenia: "Karabakh Could Be New Vietnam"]

[Text] Armenian National Defense Minister Vazgen Sargsyan has said Armenian officials have received information that several groups from Turkey are fighting against the Armenians in the Karabakh region in Azerbaijan. Noting that the Azerbaijani forces' resistance in Shusha was weaker than expected, Sargsyan claimed that Karabakh could become a new Vietnam if the dispute is not resolved.

We interviewed Sargsyan on the Karabakh dispute and on the region's future at the Armenian Armed Forces Headquarters—the Self- Defense Unit Center—in Goris, a town 30 km from the border between Armenia and Azerbaijan and 35 km from Lachin in Azerbaijan. Sargsyan left a security meeting in the Goris military garrison to meet us at the center. He said the clashes in the region are continuing without interruption and noted that Armenian militia units control the entire Karabakh area. He accused the Azerbaijani units of firing on Armenia and said the Armenian units returned fire. Sargsyan admitted that the two sides have sustained casualties in the clashes, but he declined to reveal any figures.

Noting that most Armenians who are fighting in Karabakh are local, Sargsyan said the Armenians who moved from Karabakh in the past returned once the clashes began and joined the fighting. He said: "Individuals from Armenia have also joined in the fighting in Karabakh. It is very difficult to control individuals."

Claiming the Armenians have only supplied foodstuffs and medical drugs to the Armenians in Karabakh, Sargsyan said the arms held by groups in Karabakh have either been stolen or purchased from the CIS Armed Forces. He said: "The former USSR has now become the largest arms market."

Sargsyan also asserted that the Armenian militia units did not meet the expected resistance from the Azerbaijani units in Shusha and noted that the Armenian militia units impounded lots of arms and equipment in Shusha after the Azerbaijani units withdrew from the city.

Several Turkish Units

Sargsyan said Armenian officials have received reports that several Turkish units took part in the clashes in Karabakh. He asserted: "I received information that Turkish units took part in the clashes in Karabakh. We do not know who the members of these units are. I do not believe they are Turkish Armed Forces personnel; they may be Turkish volunteers. I have learned that several individuals dressed in Turkish military uniform have been seen in areas where Armenians and Azerbaijanis exchange their dead. I have also learned that Armenian militia units impounded a Turkish antitank missile

launcher and a machine gun. I also want to note that the situation in the Nakhichevan Autonomous Republic is different. You will see Turkish military units if you travel to Sadarak."

Sargsyan said a cease-fire agreement must be put into effect before an effort is made to resolve the Karabakh dispute. This, he noted, should be followed by diplomatic talks aimed at finding a political solution. Sargsyan also said Armenia can act as an adviser in negotiations and that the Karabakh Administration must make the final decision. He said Armenia will support a solution which that administration accepts.

Referring to recent disclosures by Azerbaijan Popular Front leader Abulfaz Elchibey, Sargsyan said the clashes may intensify in the region in the wake of the 7 June presidential elections in Azerbaijan. Explaining that Karabakh's geography creates a significant advantage for the region's defenders, Sargsyan asserted: "If the fighting intensifies, the world may be confronted with a new Vietnam."

Regarding claims that Turkey intends to launch a military operation against Armenia, Sargsyan said: "A Turkish military intervention is not wanted. The Turkish people's common sense and the United Nations will not let this happen. The new Armenian Administration wants to establish favorable relations with Turkey. Significant steps were taken and the ice broken in the past. Unfortunately, we must use the past tense when we mention such developments."

Nagorno-Karabakh Supreme Soviet Issues Appeals

LD1806020592 Moscow ITAR-TASS World Service in Russian 1722 GMT 17 Jun 92

[By unidentified ITAR-TASS correspondent]

[Text] Moscow, 17 Jun—Nagorno-Karabakh defense forces continue to conduct unequal battles to contain the assault by Azerbaijani armed formations and armor, the Nagorno-Karabakh Supreme Soviet Presidium states in an appeal to Nagorno-Karabakh's people today. The appeal says that "the Azerbaijani Army's unprecedented assault along main directions has been stopped, except in northern Mardakert Rayon."

Urges Armenians To Help

LD1706162292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 17 Jun 92

[From the "Novosti" newscast]

[Text] The Nagorno-Karabakh Republic Supreme Soviet today issued an open appeal to Armenian officers, all professional military men, and all Armenian youths to help save their compatriots in the face of the threat of the physical extermination of the Armenian people.

Statement Appeals for Temporary Cease-Fire

MK1706130192 Moscow KURANTY in Russian 17 Jun 92 p 2

[Untitled PRO-ARMENIA report]

[Text] Stepanakert—The Nagorno-Karabakh Republic Defense Council has issued a statement which says: "On the basis of the principles of humanism and respect for religious sentiments, and also in order to avert an epidemic among the population, the Nagorno-Karabakh Republic Defense Council asks Azerbaijan's armed formations to suspend combat operations along the entire front from 1000 hours 17 June for 10 hours. During that time the Nagorno- Karabakh Republic self-defense forces will allow the bodies of Azerbaijani soldiers, of which there are more than 400 in one sector alone, to be removed from the battlefield."

Fighting Continues in Nagorno-Karabakh

NC1706163592 Yerevan Radio Yerevan in Azeri 1330 GMT 17 Jun 92

[Text] [passage indistinct] Azerbaijani armed units have hit border towns in Idzhevanskiy Rayon with various types of arms. The Armenian side returned fire and no one was hurt on the Armenian side.

Tavushskiy Rayon was hit with various types of fire on the night of 16 June; however, the situation was relatively calm during the day. Information we have now indicates that the Azerbaijan Armed Forces are making preparations close to Armenia's Megrinskiy Rayon. Armored vehicles and armed units have been seen assembling in Azerbaijan's Ordubadskiy and Zangelanskiy Rayons, which share borders with Megrinskiy Rayon.

This indicates that the neighboring republic intends to broaden its aggression soon. Armenia, on the other hand, has not retaliated against Azerbaijan in kind. Armenian military units have not taken part in wide-ranging combat operations to date. The Armenian leaders have been trying to avoid exacerbating the war as much as possible. This does not mean, however, that the republic's leaders and people will remain inactive and watch developments without taking action. If the Azerbaijani leaders and nationalists do not stop their policy of aggression and end the massacre of peaceful citizens, they will receive a fair reply. The sons of [words indistinct] will suffer.

On Verge of 'Major War'

NC1706195292 Yerevan Radio Yerevan International Service in Armenian 1630 GMT 17 June 92

[Text] The ARTSAKH [Nagorno-Karabakh] NEWS AGENCY reports that, after occupying Shaumyanovskiy Rayon, the Azerbaijani Army units, supported by Russia's 4th Army [words indistinct] and 50 armored cars, invaded Mardakertskiy Rayon yesterday morning and

occupied Matagis, Talish, Chaylu, and Tonashen. In addition to the 6,000 residents of these four villages, nearly 10,000 refugees from Shaumyanovskiy Rayon have taken refugee here. Peaceful residents were killed as a result of cruel acts carried out by the attackers. Other residents escaped to nearby forests.

The self-defense forces which abandoned these villages are now engaged in partisan warfare. Thanks to the counteroffensive launched by the freedom fighters, parts of Chaylu were retaken last night. The fighting is still going on there. [Words indistinct] the Azerbaijani side has suffered great losses.

Following combat operations by the Armenian self-defense forces, the Azerbaijani armored cars withdrew from the rayon.

One Azerbaijani POW testified that two (?units) of Russia's 4th Army are fighting with the Azerbaijani Army; one unit is fighting in Shaumyanovskiy Rayon, the other in Askeranskiy Rayon. He also said that at least 300 Azerbaijani soldiers, most of them Russians, were killed near Srkhavent.

The Russian Government continues to deny that Russian troops and mercenaries are taking part in the genocide organized by Azerbaijan against the Armenians of Nagorno-Karabakh. What will the Russian Government (?tell) the dozens of parents when they receive word that their sons have been killed in the Karabakh conflict zone?

For the time being, the Azerbaijani Army controls the five Armenian villages they occupied in Askeranskiy Rayon. Self-defense forces, however, are carrying out counterattacks to liberate their lands despite the fact that the enemy is constantly receiving new reinforcements of armored cars, tanks, and troops from Agdam. Fifteen enemy armored cars were hit in this sector alone.

Sos and Machkalashen in Martuninskiy Rayon were hit with Grad rockets from Azerbaijan's Fizulinskiy Rayon. The Azerbaijani forces, equipped with armored cars, moved out of their bases in (Yergumtakh), Gulaplu, and (Abdal) and attempted to occupy Norashen. The attack was repulsed.

The Armenian Defense Ministry reported that since last night virtually all the border villages in Kapanskiy, Gorisskiy, Vardenisskiy, Vaykskiy, Krasnoselskiy, and Tavushskiy Rayons are being hit with Grad rockets and artillery. Three peaceful residents have died and four have been injured in Berd.

A large concentration of tanks and armored cars are observed in Azerbaijan's Kubatlinskiy, Zangelanskiy, and Ordubadskiy Rayons.

Nagorno-Karabakh self-defense forces report that, in its current offensive, the Azerbaijani Army is using 200 tanks and other armored cars, supersonic attack planes and fighters, and at least 10,000 infantry troops.

The Azerbaijani side has occupied a number of Armenian settlements, including Gyulistan, where 12,000 refugees have gathered. Their fate is unknown.

Armenia has accused Azerbaijan of being the aggressor. Azerbaijan, on the other hand, has claimed that Armenia has moved military operations outside the borders of Nagorno-Karabakh Republic, thereby opening a second front.

Military commentators believe that the military operations on both sides have assumed such momentum and ruthlessness that we are on the threshold of a major war.

Yerevan Radio Warns Azerbaijan Against Tyranny

NC1706164892 Yerevan Radio Yerevan in Azeri 1330 GMT 17 Jun 92

[Excerpt] Dear listeners, we have reported the crimes against the peaceful people in Armenian residential areas which have been occupied by the Azerbaijan Armed Forces several times. There have been many unrestricted acts of violence in areas occupied by the military units in the neighboring republic. Women and children have been threatened and many have been tortured.

No information has been made available about the fate of citizens who have been taken hostage. [passage indistinct] Azerbaijani brigands took three students hostage in the Gorisskiy Rayon territory 10 days ago. Talks were held to secure the release of the hostages. Azerbaijani officials tried to avoid holding talks for a number of reasons. An agreement was finally reached securing the release of all the hostages, including the students. The Azerbaijanis released the hostages indeed, along with the bodies of the three students.

Do these bloodthirsty butchers not realize that Azerbaijani citizens are also taken hostage in the clashes? Do they not realize that Azerbaijani citizens are also captured and held as POW's? Do they not realize that this wicked and infamous behavior threatens the life of their own kinsmen? [passage indistinct]

As a rule, the Armenian side treats hostages and POW's in a humane way, often providing medical treatment to Azerbaijanis taken hostage or captured. In fact, the Armenians [words indistinct] and saved their lives.

International law categorically bans torture and killing hostages and POW's. Regrettably, Azerbaijan does not comply with this rule. We, therefore, wish to reiterate that tyranny breeds tyranny. Regardless of the fighting, hostages and POW's must be treated humanely. This may go a long way in helping solve the problem. [passage omitted]

Further on Opposition's Response to Fighting

OW1706191292 Moscow INTERFAX in English 1901 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The largest opposition party in Armenia "Dashnaktsutyun" picketed the Gosteleradio (television) center in Yerevan Wednesday [17 June] demanding to be allowed to make a television address to explain its position on the Karabakh issue in light of the latest losses. "Dashnaktsutyun" accuses Yerevan of being incapable of handling defense and political-economic matters connected with Nagorno-Karabakh.

Deputy of the Armenian Parliament, chairman of the Republican Party Ashot Navasardyan also blamed the Armenian government for the loss of the Shaumyanov region. In an interview with "IF" [INTERFAX] he said that the defeat is the result of poor organization and the lack of a clear position among the Armenian authorities on Karabakh. "We still aren't sure which of the three variants we're defending", the deputy said, "either leave Artsakh (Karabakh—IF) part of Azerbaijan, make it an independent state, or preserve the resolution from December 1, 1989 when the Supreme Soviet of Armenia passed a resolution on Artsakh's union with Armenia".

Azerbaijan

President Urges UNSC To Curb 'Aggressor'

LD1806115592 Moscow ITAR-TASS in English 1055 GMT 18 Jun 92

[Text] Baku June 18 TASS—Azerbaijan's President Abulfaz Elchibey today called on the UN Security Council to take effective measures to curb the aggressor, put an end to Armenian combat operations aimed at exterminating the population of Azerbaijan and dividing its territory, the integrity of which was recognised by the UN, the CSCE and the world community. The appeal was released today by Azerbaijan's news agency AZERINFORM.

In a telegram, addressed to UN Secretary General Butrus-Ghali, NATO Secretary General Manfred Woerner and Czechoslovak Foreign Minister, current chairman of the CSCE Council of Ministers Jiri Dienstbier, Elchibey specially emphasised that "Azerbaijan continues to adhere to peaceful means and methods of settlement of conflicts." In this context, he pointed out that "the true cause of the conflict in Nagorno-Karabakh lies in Armenia's territorial claims to Azerbaijan, rather than in violation of human rights and the rights of national minorities in the former Nagorno-Karabakh autonomous region, where the neighbouring republic supplies weapons, ammunition, sends armed mercenaries to conduct combat operations."

The president voiced serious concern over the fact that the Armenian leadership completely disavowed its political declarations and openly embarked on the road of torpedoing the CSCE-mediated process of settlement of the Karabakh problem.

According to Elchibey, "Armenia, while grossly violating obligations as a member of the UN and the CSCE, is engaged in an undeclared war against Azerbaijan." Having noted that border areas were subjected to massive attacks with numerous civilian casualties, the president draws the attention of the world community to the fact that "units of the Armenian army have occupied Azerbaijani land in the highland portion of Karabakh, constantly violate the republic's state border, intruding into its territory, engage in large-scale military operations, deliver rocket and artillery strikes at settlements of the Nakhichevan Autonomous Republic."

"The expansion of combat operations by Armenia on the territory of Azerbaijan has led to a new flood of refugees, more intense opposition and the threat of spread of the conflict which is fraught with destabilising the situation in the region as a whole." The telegram points to the fact that "the aggressor uses inhuman methods of warfare, and there is proof that they use cyanide—toxic chemicals—in rocket charges."

Elchibey Interviewed on Current Issues

MK1706140092 Moscow NEZAVISIMAYA GAZETA in Russian 17 Jun 92 pp 1, 3

[Interview with Azerbaijan President Abulfaz Elchibey by Aydyn Mekhtiyev and Taptyg Farkhadoglu under the "Azerbaijan" rubric; place, date not given: "From Now On Everything Will Be According to the Law"—first two paragraphs are introduction]

[Text] Abulfaz Elchibey was ceremonially sworn in as president of Azerbaijan at the Milli Majlis (parliament) 16 June.

On the same day the local press carried an official report from the Central Electoral Commission which showed that of the 76.3 percent of the electorate who voted, 59.4 percent voted for Elchibey.

[NEZAVISIMAYA GAZETA] Abulfaz-bey, first let us congratulate you on your election as head of state. As is well known, your political success in the 7 June elections was preceded by the 15 May victory of the People's Front, which you head. Now the opposition is accusing the People's Front of Azerbaijan [PFA] of usurping power. What do you have to say about that?

[Elchibey] From the moment that it appeared the PFA has acted strictly within the framework of the constitution. Heading the broad people's movement in the republic, the PFA has done everything to steer it in an organized direction and avert political storms. At present, when the Communist Party has been eliminated and the process of creating other parties is still only just gaining momentum, the PFA is a powerful political factor. After the events of January 1990 in Baku Yazov [then USSR defense minister] stated that the PFA's structures should be destroyed. He sought those structures out but failed to find them because the PFA is like chaos emerging from the people's movement with its own objective laws. [sentence as received] "We have many forces, the people are behind us," we warned

Mutalibov many times. At the same time, the PFA's leadership has never advocated a strong-arm approach to the solution of domestic political problems. Incidentally, because we adhere to that position we have been accused of being soft and of showing liberalism. But on 14 May, when there was an attempted coup d'etat in Azerbaijan, the Front's leadership was forced to bow to the will of the people, who demanded resolute actions. When Mutalibov returned to power 14 May I realized that his return would not last long. That is how it proved to be. The people who gathered around the PFA Headquarters set out for the presidential palace. It did not matter whether you were a PFA member or not, everyone demanded the same thing—the restoration of constitutional order. Mutalibov fled because he had no support. Within two days stability was established in Baku.

[NEZAVISIMAYA GAZETA] What are the reasons for the PFA's popularity, do you think?

[Elchibey] Azerbaijan is in an extremely complex position. Armenian aggression has been continuing on our territory for over four years now. Our people live in constant anxiety. The economic position is worsening: According to the official figures alone, there are 1.2 million unemployed today in a republic of 7 million people. There are over 200,000 refugees from Armenia and tens of thousands of Azerbaijanis driven out of Nagorno-Karabakh by Armenian gunmen. The people need to believe that these problems can be overcome. The PFA gives them that belief. The secret of the PFA's success lies in the fact that broad democracy exists within this people's movement. The Front's mainstays do not depend on central structures. All the grassroots organizations are interlinked. The PFA is a self-governing, complex mechanism. If, for example, the whole PFA were eliminated and only its Lenkoran branch remained it would be possible to recreate the Front's entire structure. One reason for the Communist Party's collapse is that it contained no democratic principles.

The conditions for the creation of major influential parties are not in place in Azerbaijan at the moment. There are many parties today, but they are very weak: Each has between 200 and 1,000 members. Several times recently we have tried to resolve the question of creating a "classical" front, by preserving the PFA's central structures and allowing a confederation of parties to exist within it. This question has not been settled yet.

[NEZAVISIMAYA GAZETA] When Mutalibov returned 14 May, Etibar Mamedov, leader of the Party of National Independence [PNI], stated that he gave Mutalibov just 100 days. In an article in a recent issue of MILLYAT, however, Etibar-bey does not give the front even one day...

[Elchibey] Unfortunately, Etibar-bey has recently been increasingly wrong in his views of political problems. Clearly he does not have any good advisers and, in his desire to make all the decisions himself, he is making mistakes. Some people have undue faith in their leader, but leaders can only lead with a powerful entourage. Take Mustafa Kemal, Lenin, and Napoleon. The marshals surrounding Kemal subsequently wrote around 200 books. This means that they were not simply marshals but politicians too...

Etibar-bey grew up as a powerful leader within the people's movement, and Etibar-bey's party is an association of that leader's supporters around him. In other words, the leader did not emerge from the party, the party was created around the leader. In the PFA everything happened the other way around. On 16 May Etibar-bey's party issued a written statement that it was ready to cooperate with the PFA. When we embarked on talks it turned out that Etibar-bey had made his participation in the coalition dependent on the demand that he become the premier with broad powers, as in Turkey. The front's leadership rejected that demand. There is presidential power in Azerbaijan and it would be contrary to that reality to endow a premier with broad powers.

[NEZAVISIMAYA GAZETA] Nizami Suleymanov, one of your main rivals in the election, recently stated that the election results were rigged...

[Elchibey] I am surprised that journalists pay so much attention to Nizami Suleymanov. All the diplomats and commentators from various countries have been saying that the elections were democratic. A commentator from Germany's ZDF-TV told me that he was struck by the high level of organization of the elections in our eastern country. He told me that the PFA's leaders would not be out of place in the Swedish parliament, so politically mature are they.

All the forces opposed to the PFA banked on Suleymanov to prevent the PFA's candidate from winning in the first round. A number of times we heard our opponents say that the PFA will not last even two months in power. I do not understand why. Perhaps they want to change public opinion and then try to overthrow the legitimate president? Henceforth everything will be according to the law. The president is not going to retire just because someone tells him to. We are going to radically change the administrative structures and you will see what changes there will be in Azerbaijan in two months. We are preparing a concept for economic reform which will be ready in 15-20 days.

[NEZAVISIMAYA GAZETA] Will you cooperate with Geydar Aliyev?

[Elchibey] Of course. I am ready to cooperate with all politicians, including Aliyev.

[NEZAVISIMAYA GAZETA] Your criticism of the Iranian leadership has given some observers misgivings. Azerbaijan, they say, is finding it difficult fighting little Armenia. Now there is the prospect of a worsening of relations with Iran...

[Elchibey] I am not in the habit of lying. You have to tell the truth so that people do not take the wrong path. I speak as an academic who has studied history for a long time. In the 20th century the Iranian regime has not allowed schools offering instruction in Azeri for Iran's Azerbaijanis to open. That is contrary to all human norms. Unless I say that openly, I will feel pangs of conscience over the 20 million Azerbaijanis in South Azarbayjan. There is another point here. Iran's official press mounted a campaign to discredit the PFA. Do you think that we should say nothing when the 20 million Azerbaijanis in Iran are told that the PFA's leaders are infidels and that I am a Zionist?! I cannot keep silent.

[NEZAVISIMAYA GAZETA] In your view, what is the position of the Central Asian republics toward the Karabakh conflict?

[Elchibey] Islam Karimov, former first secretary of the Uzbek Communist Party Central Committee and now president, is repressing all the progressive people in Uzbekistan. He dissolved the "Karabakh Aid Comittee" recently created on the initiative of the Uzbek opposition in Tashkent, and repressed its members. In addition this man has lost his sense of proportion, so much so that he dared send "commandos" to Azerbaijan to arrest Uzbek opposition activists here. And yet the press does not want to unmask this antidemocratic man. Is it not because Karimov is a pawn in the hands of the Armenian lobby?! Democracy is not well developed in Central Asia today, the old command system is suppressing individual rights. But these regimes will not last long—one year at most. The Tashkent treaty on the CIS military alliance will not save the totalitarian regimes. The people's movement is gaining strength there. What we are seeing today is the awakening of all the Turkic peoples of the former Soviet Union.

[NEZAVISIMAYA GAZETA] What will the principles of Azerbaijan's relations with Russia and Turkey be?

[Elchibey] We will have good relations with all the states that want to cooperate with us. The basic principles are: progress, democracy, and the protection of human rights. We will hold talks with Russia. In Russia, in my view, the prevailing forces are those which want to establish good relations with Azerbaijan because this is beneficial to both peoples. Distrust must be excluded from our relations. There are hundreds of thousands of Azerbaijanis living in Russia today and over 500,000 Russians living in Azerbaijan. The Azerbaijan leadership rules out the possibility of creating a political bloc with other states against Russia.

[NEZAVISIMAYA GAZETA] Nevertheless, the strengthening of political ties between Baku and Ankara was greeted with alarm in Russian military circles...

[Elchibey] The Armenian lobby which once fled from Turkey to Russia is now trying to bring these two states into conflict and make them enemies. But that will only harm the interests of the Turkish and Russian peoples. The strengthening of ties between Turkey and the Turkic states of the former USSR is not contrary to Russian interests. Quite the reverse. It promotes political stability and economic development.

[NEZAVISIMAYA GAZETA] Do you pin your hopes of a solution to the Karabakh problem on the United Nations and the CSCE?

[Elchibey] Undoubtedly. We must use the prestige of those influential international organizations to curb Armenian aggression. We think that first there must be a cease-fire and the elaboration of a mechanism to open the negotiating process.

[NEZAVIMAYA GAZETA] What will the new Azerbaijani leadership's policy be toward the small peoples of Azerbaijan?

[Elchibey] The rights of Turkic Azerbaijanis in Azerbaijan were suppressed for 72 years. So it cannot be said that citizens' rights were violated in our republic on ethnic grounds. The rights of the Lezgins, Kurds, and Talysh were violated along with the rights of the Azerbaijanis. The PFA leadership believes that the small peoples of Azerbaijan should be given cultural autonomy. Armenian propaganda is now artificially hyping the "problems" of the Kurds and Lezgins in Azerbaijan. This is because Azerbaijan is now in a difficult position and the enemy is trying to find its weak spots and exploit them. But we will not allow that. The rights of the individual in Azerbaijan, as in all civilized countries, will be observed irrespective of nationality.

Kamberov Comments on Nagorno-Karabakh Situation

PM1806104192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 17 Jun 92 p 1

[TURAN report under the rubric "On Internal Fronts" and the general heading: "They Pray to Different Gods, but They Die the Same Terrible Death"]

[Text] Baku—"Azerbaijan's new leadership is committed to a political and diplomatic solution of the Karabakh conflict"—Isa Kamberov, chairman of the Milli Majlis (National Assembly), said at a news conference on the evening of 15 June as he laid down his duties as president. Kamberov declared Azerbaijan's readiness to take part in the Minsk meeting and expressed regret that, under pressure from Armenia, representatives of the Armenian part of Nagorno-Karabakh are not attending the Rome meeting being held on the initiative of the CSCE.

Turning to military operations in Karabakh, the chairman of the Milli Majlis noted that "the Azerbaijani side has been forced to take decisive steps in response to the annexation by Armenia of part of Azerbaijan and the continued seizure of new territories belonging to the country."

At the same time Altan Karamanoglu, Turkish ambassador extraordinary and plenipotentiary to Azerbaijan,

rebutted claims that Turkish military specialists or Turkish citizens were taking part in combat operations on Azerbaijan's side or were drawing up military plans of any kind for the Azerbaijani Army.

Further on Deputy Prime Minister's Remarks

OW1706152292 Moscow INTERFAX in English 1332 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Azerbaijan's Vice-Premier and permanent representative in Moscow Khikmet Gadzhizade stated that the new leadership advocates peaceful solution of the conflict with Armenia. He said, however, that combat operations will continue till all of the Azeri villages are liberated. The main task of the Azerbaijani armed forces is to prevent the expansion of the Armenian stronghold in the Azeri territory, he said during a press conference in Moscow. The Armenian side, he continued, used chemical agents in Agdam, Shusha, Nakhichevan and Ter-Ter. Speaking about the CSCE's forthcoming Minsk conference on Nagorno-Karabakh, he said that the Azerbaijani delegation will be guided by the principles of inviolability of the borders and the recognition of Nagorno-Karabakh as part of Azerbaijan. The vice-premier expressed the opinion that the conference would be more efficient if Shusha and Lachin, occupied by Armenia, are liberated by this time.

He said that Azerbaijan's new leadership and the Russian government have exchanged draft treaties on cooperation and security. Subsequently they are expected to exchange draft treaties on the frontiers, customs rules and coordination of economic reforms. "It is extremely difficult to start implementing economic reforms amid fighting," he said. "We shall do this work, however." To begin with, we shall cut down state spending, the state apparatus and budget deficit, and give greater freedom to foreign trade, he said. The Azerbaijani vice-premier said that Azerbaijan was planning to switch over to its national currency. Prior to this, however, Azerbaijan will have consultations with the CIS states, above all with Russia, said Khikmet Gadzhizade.

Minister Denies Attempts To Drive Armenians Out

LD1806021392 Moscow ITAR-TASS World Service in Russian 1722 GMT 17 Jun 92

[By AZERINFORM correspondent Sabir Mirzoyev for TASS]

[Text] Baku, 17 Jun—"Measures taken by the Azerbaijani side in Nagorno-Karabakh and in rayons adjacent to the republic are of a forced nature, aimed exclusively at suppressing the gun emplacements of Armenian armed formations, and should not be regarded as actions aimed at driving the Armenian population out, let alone their physical extermination," Azerbaijani Internal Affairs Minister Iskender Gamidov told a news conference today.

Armenians Fail To Attend Defense Meeting

LD1806130992 Moscow ITAR-TASS in English 1056 GMT 18 Jun 92

[By AZERINFORM correspondent Sabir Mirzoyev for TASS]

[Text] Baku June 18 TASS—A meeting of Azerbaijan's and Armenia's defense ministers, scheduled to take place in the Kazakh region, did not take place through the fault of the Armenian side.

Azerbaijan's news agency AZERINFORM was told by the Defense Ministry of the republic that the Armenian delegation led by the defense minister had failed to arrive to the venue meeting at agreed time for unknown reasons. The talks were expected to focus on ways to attain mutually acceptable conditions for a cease-fire along the borderline and in other conflict zones.

Meantime, last night several Azerbaijani villages in the border zone came under fire from Armenian territory. A lull set in the morning only after retaliatory fire. A similar situation emerged in the Fizulin region where Armenian armed units used "Grad" launchers and artillery to shell the regional centre. There are wounded and damage was inflicted to buildings. The Azerbaijani army suppressed enemy gun emplacements, destroyed a "Grad" launcher and, according to provisional data, inflicted losses in manpower.

In the Terter region Azerbaijani troops suppressed four Armenian gun emplacements.

According to available information, motorized convoys with soldiers and equipment continue to pass through the Lachin corridor from Armenia in direction of the highland part of Karabakh.

Further Reportage on Nagorno-Karabakh Clashes

NC1706202892 Baku Radio Baku Network in Azeri 1700 GMT 17 Jun 92

[Text] The Azerbaijani Defense Ministry's Analytical Information Center today reported the following:

The Azerbaijani Armed Forces continue to defend the towns they have liberated from Armenian occupation near Askeran and Agdere. Our fighters are breaking the resistance of the enemy forces. Armed Armenian units initiated attacks on Nakhichevanik, [name indistinct], Abdal, and Gulably last night. The national army defense units blocked the enemy attack, inflicting a large number of casualties and forcing them to retreat. [passage indistinct]

The situation in Gorenboyskiy Rayon has not changed. Defensive positions in the liberated towns are being reinforced and new fortifications are being built. The situation on the ground remains (?tense).

[Name indistinct] in Dzhebrailskiy Rayon was fired on from 1100 to 1200 today from Sur, where armed Armenians have assembled with infantry combat vehicles and large-caliber machine guns. Army units in Dzhebrailskiy Rayon returned the fire and silenced the enemy.

The situation in the border areas was tense last night. The majority of clashes gradually has shifted to the Kazakhskiy, Tauzskiy, and Kedabekskiy Rayons in the western areas. Enemy units hit Alibeyli and Agdam in [name indistinct] Rayon with Grad rockets and tank and artillery fire. Three of our defenders were heroically martyred and 10 others were wounded in the clashes. The fire was returned and the enemy was silenced.

Armed Armenian units hit [name indistinct] in Tauzskiy Rayon with automatic-weapon and machine-gun fire. They also attacked [name indistinct] in Kedabekskiy Rayon. The Azerbaijani Armed Forces in the rayon warded off the enemy attack. The situation in Tauzskiy, Kedabekskiy, and Kazakhskiy Rayons was relatively calm today.

Seidlyar, Kazanchi, and Agkend in Zangelanskiy Rayon and [name indistinct] and Yukhary Zhilikhly in Kubatlinskiy Rayon were hit with various types of fire from Armenia's Kapanskiy and Gorisskiy Rayons last night.

Armed Armenians attacked [name indistinct] and Agbent in Zangelanskiy Rayon at 1700 on 7 June. [as heard] The fighters of the national army repulsed the enemy attack. The armed Armenians, who were forced to retreat, blew up the Zangelan-Nakhichevan section of the Azerbaijani railroad network in the vicinity of Megri. [passage indistinct]

The fighters under Ramiz Kamberov and the group from (Bilasuvar) made a heroic effort to contribute toward the liberation of (Nevkhale) in Lachinskiy Rayon. They are continuing their struggle to completely liberate Lachinskiy Rayon from enemy occupation.

We have received reports that Armenian brigand groups violated Azerbaijan's border in [name indistinct] and attacked towns near the border area. The field defense units of the national army have warded off the enemy attack.

Sadarak Rayon in the Nakhichevan Autonomous Republic [NAR] has been hit with periodic automatic-weapon and machine-gun fire. The exchange of fire has stopped in Yukhary Buzgov in Babekskiy Rayon. The Azerbaijan People's Front in the NAR has reported that fighting is continuing to take back the occupied town and liberate (Sultandar). Muzaffer Allakhverdi ogly, [title indistinct], was martyred in the clashes. Relative calm prevails in the other areas in the NAR.

[Moscow Russian Television Network in Russian at 1900 GMT on 17 June, in its "Vesti" newscast, adds: "The independent information agency AM, with reference to the Azerbaijan Defense Ministry, today reported that Armenia has bought several Scud missile launchers from Libya."]

'Most Powerful Offensive' Noted

LD1706135192

[Editorial Report] The following is a roundup of reports on events and continuing clashes between Armenia and Azerbaijan over Nagorno-Karabakh:

Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian at 0500 GMT on 17 June, in the "Novosti" newscast, carries a report by the announcer over pictures of the area's map and military. The presenter says: "Observers point out that the Azerbaijani offensive in Nagorno-Karabakh is the most powerful offensive in the entire period of the conflict. Rumors emerging in connection with actions taken by each side are being resolutely and categorically denied both in Baku and Yerevan. For example, according to the NEGA News Agency, Major General Nikolay Popov, commander of the 4th Army, categorically rejects a statement by the Armenian defense minister that the 23d (Dinzhanskaya) Division took part in storming Shaumyanovskiy Rayon in Azerbaijan. Karamanoglu, the extraordinary and plenipotentiary ambassdor of Turkey to Azerbaijan, denies reports by Armenia's official circles and its mass media that Turkish military experts took part in combat operations on the side of Azerbaijan."

Moscow Radio Rossii Network in Russian at 0900 GMT on 17 June reports: "The Azerbaijani Army has launched an intensive attack on Mardakertskiy Rayon in Nagorno-Karabakh from Shaumyanovskiy Rayon, which it has seized, an RIA correspondent was told by the Defense Ministry of Armenia. The ministry believes that Azerbaijani troops intend to take Armenia's Megrinskiy Rayon to establish a direct link between Azerbaijan and Nakhichevan."

The reporter continues: "Simultaneously, the Azerbaijani side is increasing pressure in the area of Lachin, in order to cut the corridor between Armenia and the Nagorno-Karabakh Republic."

Noting continued fighting, he says: "At the same time, intensified fighting for the village of Nakhichevanik in the east of Nagorno-Karabakh has been reported by the Azerbaijani Defense Ministry. It is from this village that Armenian armed militants are shelling Agdamskiy Rayon in Azerbaijan. An official spokesman of the Azerbaijani Defense Ministry stated that servicemen of the CIS 4th Army are not involved in the Azerbaijan-Armenia conflict."

Moscow Radio Moscow World Service in English at 1100 GMT on 17 June reports: "The leadership of the Supreme Soviet of Armenia has expressed concern over further relations with Russia. This is stressed in an

address made today to the Presidium of Russia's parliament. The leaders of Armenia's parliament propose discussing the legality of handing over to Azerbaijan military hardware and also the participation of a contingent of the Armed Forces of Russia in the military operations. The statement also says that Azerbaijan's open aggression against the Republic of Nagorno-Karabakh is assuming an ever more dangerous character. The ITAR-TASS News Agency says that Yerevan has no doubt that everything taking place now is a program planned by Azerbaijan in advance to undermine the international conference on the Karabakh settlement to be held within the framework of the CSCE."

The Armenian side continues to insist that two regiments of the 4th Army of the CIS are fighting as part of the Azeri Army.

Moscow Mayak Radio Network in Russian at 1200 GMT on 17 June, citing the TURAN News Agency, reports that "the Kurds living in Lachin Rayon of Azerbaijan have announced the establishment of their own state, independent of Baku. It is being set up on the territory of Kelbadzhar, (Kubatly), and Lachin Rayons in Azerbaijan."

Counteroffensive Launched in Nakhichevan

OW1806113692 Moscow INTERFAX in English 1022 GMT 18 Jun 92

[Transmitted via KYODO]

[Text] According to the press center of the Supreme Majlis of the Nakhichevan autonomous republic, last night the Nakhichevan contingent of the Azeri army in Armenia launched a counter-offensive against Armenian forces. This morning they fought for the liberation of Azeri communities earlier seized by the Armenians.

Aliyev Opposes Change in Nakhichevan Status

LD1806085292 Moscow Mayak Radio Network in Russian 1700 GMT 17 Jun 92

[Text] The Supreme Majlis is meeting in Nakhichevan. Chairman Geydar Aliyev stated that any attempts to change the status of Nakhichevan or encroachment on its territory will be decisively halted. The head of the Nakhichevan parliament thinks the way out of the crisis lies in direct talks with Armenia.

Georgia

Military Group Armed Assembly Announced

OW1706212092 Moscow INTERFAX in English 1901 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] In Georgia Wednesday [17 June] the assembly of all members of the military organization "Mhedrioni" was set for Friday 19 June]. In Tbilisi and other cities the Mhedrioni must gather fully armed. The management of the Mhedrioni told "IF" [INTERFAX] that the mobilization is required due to intensifying conditions in Western Georgia.

Mkhedrioni Mobilized

LD1806131592 Moscow POSTFACTUM in English 0952 GMT 18 Jun 92

[From the "Military News" section]

[Text] Tbilisi—On June 17 Dzhaba Ioseliani, first deputy of Georgian State Council, issued a decree on mobilization of Mkhedrioni guards. By June 19, units stationed in eastern Georgia are assigned in full military outfit to gather in Tbilisi, whereas those who are stationed in western districts of the republic should gather in Samtredia. As at the headquarters of Mkhedrioni, this measure was taken in connection with a possible aggravation of the situation in western Georgia. It is there that main forces of this organization are most probably to be sent. As local observers assess, the situation looks somewhat strange, as only on June 16 it was Dzhaba Ioseliani who said at the session of Georgian State Council that Mkhedrioni as an independent armed force stops its existence and is entered into the united armed forces of the republic.

Deputy Commander Killed

LD1806133592 Moscow Russian Television Network in Russian 1000 GMT 18 Jun 92

[From the "Vesti" newscast]

[Text] Just a moment ago a correspondent in Tbilisi told us by telephone that yesterday evening the car of Mkhedrioni Deputy Commander Tomaz Kurashvili was blown up. He died on the spot. It appears that this is not the last terrorist act in Tbilisi.

North Ossetian Ministry Reports Casualties

LD1806101392 Moscow ITAR-TASS in English 0852 GMT 18 Jun 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, June 18 TASS—One person was killed and 13 wounded on Wednesday [17 June] in the zone of armed conflict in Tskhinvali, according to the latest report of the North Ossetian security ministry.

Georgian militants burned down two Ossetian villages last night, but failed to seize the strategically important settlement of Dmenis, the ministry said.

It also supplied additional information on the helicopter crash which took a toll of 11 lives. Five of them were crew members and six—North Ossetians. The helicopter was flying from Vladikavkaz to South Ossetia with a load of medicines. Contact was lost with it 45 minutes after

the take off. Another helicopter was immediately sent to surveil the Rox mountain ridge. The debris of the ill-fated helicopter and the bodies of eleven people were found in a ravine.

Experts exclude the possibility that the helicopter was shot down. The believe it hit a mountain slope and fell into the ravine.

More on Casualties

OW1706110692 Moscow INTERFAX in English 1026 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] The North Ossetian Security Ministry informed IF [INTERFAX] that on the night June 16 the Georgian armed formations resumed the shelling of Tskhinvali. The city's self-defence units opened return fire. Ten Ossetians were wounded. There are no reports about casualties on the Georgian side.

According to IF sources, on Wednesday [17 June], Vice-Chairman of the Russian parliament's Committee for Nationalities Policies and Ethnic Relations Vladimir Lysenko is arriving in the capital of North Ossetia. His arrival is linked with the Russian government's plans to learn the reaction of the North Caucasus, particularly the Confederation of the North Caucasian Ethnic Groups, to the recent statement on South Ossetia by Chairman of the Russian Parliament Ruslan Khasbulatov.

The Georgian State Commission for Ethnic Relations and Human Rights reports that since the Georgian-Ossetian conflict flared up two years ago, more than 400 Ossetians and over 200 Georgians have been killed in the Tskhinvali region. About a thousand Ossetian and almost 4,000 Georgian houses have been burnt. The number of Georgian refugees is nearly 15,000 and the number of Ossetian refugees ranges from 20,000 to 25,000.

The communique of this commission circulated in Moscow says that the recent escalation of combat operations in the Tskhinvali region will obviously increase the number of victims.

Russia Said To Withdraw Tskhinvali Troops

LD1806125992 Moscow Radio Moscow World Service in English 1100 GMT 18 Jun 92

[Excerpt] [Passage omitted] According to sources close to the South Ossetian parliament the Defense Ministry of Russia has decided to withdraw the units of helicopter and field engineers regiments from Tskhinvali zone within a month.

Families of Russian Troops Leave S. Ossetia

LD1706175792 Moscow Russian Television Network in Russian 1900 GMT 15 Jun 92

[From the "Vesti" newscast]

[Text] Troops stationed in South Ossetia, having evidently received the order to withdraw, have begun sending their families and possessions out. After difficult service in this dangerous area where officers and soldiers have shared all the hardships of life under the blockade and under constant fire with the residents of Tskhinval, they are withdrawing their families with nowhere to live and completely unaware of their future service.

Meanwhile, residents of Tskhinvali, who saw at least some guarantee of their safety simply in the presence of the sapper and helicopter regiments, are now acutely aware of their lack of defense in the face of the military force moving toward them, which is conducting a ceaseless and harrowing bombardment of the city after seizing the main heights above it. Every night produces more casualties. Last night alone, six people were killed and 13 wounded. [video shows troops in aircraft, troops in street, people with luggage, military trucks, ruined buildings, shells]

CIS Naval Facility in Poti Handed Over

LD1806141392 Moscow Radio Rossii Network in Russian 1200 GMT 18 Jun 92

[Text] In line with an accord between the command of the CIS Navy and Georgia's Ministry of Defense, ownership of the naval base in Poti has been transferred to the republic. According to the NEGA agency, subunits of Georgia's national guard have entered the base. A training subunit of the Georgian Navy is to be formed at the Poti naval base.

S. Ossetian Leader on State Council Statement

OW1706164492 Moscow INTERFAX in English 1608 GMT 17 Jun 92

[Transmitted via KYODO]

[Text] Deputy Chairman of the South Ossetian Parliament, leader of the Popular Front of the South Ossetia Alan Chochiyev believes that the Georgian State Council's statement on South Ossetia is directed at the so-called "democrats" in the Russian Parliament who have for three years been condoning the extermination of Ossetians, first courting "the democrat" Gamsakhurdia, then "the antizviadists" Sigua and Kitovani, or "the true democrat" Shevardnadze.

In his statement distributed Wednesday [15 June] in Moscow, Chochiyev says that "those Russian democrats who see eye to eye with the current Georgian democrats and also are responsible for Ossetian tragedy, have no ethical right to block the consideration of the Khasbulatov's proposal at the Russian Supreme Soviet".

In his statement of June 15, head of the Russian Parliament did not reject the possibility of considering South Ossetia's request to join the Russian Federation in the Supreme Soviet.

Gamsakhurdia Sends Telegram to Khasbulatov

LD1706161392 Moscow Mayak Radio Network in Russian 1423 GMT 17 Jun 92

[Telephone report from Georgia by IPRINDA news agency correspondent]

[Excerpt] Out of all the interesting reports received by the IPRINDA agency today I would, perhaps, single out the telegram from Zviad Gamsakhurdia, Georgia's former president. He sent it to Ruslan Khasbulatov, chairman of the Russian Federation Supreme Soviet. The text of this telegram was reported in the morning today to the agency's correspondent by one of the leaders of the Roundtable bloc in Abkhazia, chairman of the regional branch of the Helsinki union in Georgia, who maintains regular contact with the former president.

This message, addressed to the Russian Federation parliamentary speaker, says, in particular: Your statement, concerning a possible merger by force of the territory of Shida Kartli [Georgian name for South Ossetia] with Russia is tantamount to ignoring the Constitution of the Russian Federation, the Constitution of North Ossetia, and the Constitution of Georgia which is in force, and no junta or Georgian State Council has a right to suspend or repeal it. Ruslan Imranovich, bear in mind that the time of international banditry has been consigned to the past together with the liquidation of fascist Germany and Soviet imperialism. The whole world will soon condemn the blatant aggression against Georgia with the use of the St. Petersburg OMON [Special Purpose Militia Detachments] and Ossetian extremists, enemies of Georgian and Ossetian peoples alike. The entire responsibility for the consequences of irresponsible statements of this kind will rest with you, Ruslan Imranovich. [passage omitted]

Leadership Accuses Gamsakhurdia of Bomb Attack

LD1706163492 Moscow ITAR-TASS in English 1504 GMT 17 Jun 92

[By ITAR-TASS correspondent Igor Grvitishviliy]

[Text] Moscow, June 17 TASS—Ousted Georgian President Zviad Gamsakhurdia was accused by Georgian leadership of organising an attempt on the life of Jaba Ioseliani, deputy chairman of the Georgian State Council.

"Organisers of the foiled attempt to physically liquidate... Jaba Ioseliani are staying in Groznyy where Gamsakhurdia is hiding himself", Georgiy Khayndrava, member of the State Council, told reporters in Moscow on Wednesday [17 June].

Two participants in the terrorist act were identified, but their names would not be disclosed in the interests of investigation, he added.

A car was exploded on June 13 by a radio command at the time when Ioseliani had to pass the place in Tbilisi. However, Ioseliani was not there at the moment. Five passers-by were killed and several wounded by the blast.

Terrorist Act Against Kkhedrioni Member Reported

OW1806151892 Moscow INTERFAX in English 1411 GMT 18 Jun 92

[Transmitted via KYODO]

[Text] On Wednesday [17 June] evening a terrorist act against Tomaz Kurashvili, an active member of the Kkhedrioni organization was committed in Tbilisi. Kurashvili blasted on a mine [as received] planted in his car.

A few days ago, an attempt to assassinate Mkhedrioni's leader and Vice-Chairman of the Georgian State Council was made. A car filled with explosives blasted in a Tbilisi street shortly after Ioseliani's car passed by. Ioseliani was not injured, but 5 passers-by were killed and 6 were wounded.

At the end of 1991 and the beginning of 1992, Mkhedrioni fighters and members of other armed formations of the opposition took part in the siege of the government building in Tbilisi where Zviad Gamsakhurdia was hiding.

Kavsadze Estimates 40,000 Tskhinvali Refugees

AU1806152092 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 18 Jun 92

[Message from Aleksandr Kavsadze, acting deputy prime minister of Georgia and chairman of the Georgian State Commission for Interethnic Relations and the Defense of Human Rights, to the chairman of the Russian State Television and Radio Company, its general director, and the director of the Moscow TV and Radio Company Ostankino First Program; place and date not given]

[Text] Respected Batonebo [Georgian polite form of address]:

Recently Russian TV programs on the conflict in the Tskhinvali region have frequently stated that the number of Ossetian refugees has risen from 100,000 to 150,000. We have to inform you that this does not and cannot correspond to reality. According to a population census in 1989, approximately 145,000 Ossetians were living in the conflict (?zone) and on Georgian territory, with approximately 65,000 of them living in the Tskhinvali area.

According to preliminary information, the majority of Ossetians have not left their places of residence. The total number of Georgian and Ossetian refugees cannot

be more than 40,000. The Georgian Government is currently taking measures in order to enable the refugees to return. According to my instructions, a commission has been created to make a detailed study of the problems connected with the refugees and to establish their precise number.

I request that this statement be broadcast on your program.

[Signed] Sandro Kavsadze, acting deputy prime minister and chairman of the State Committee on Interethnic Relations and the Defense of Human Rights

Shevardnadze Greets Armenian, Azeri Leaders

AU1806092992 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 30 May 92 p 1

[Messages of congratulations sent to Levon Ter-Petrosyan, president of the Republic of Armenia; and Isa Kamberov, acting president of the Republic of Azerbaijan; from Eduard Shevardnadze, chairman of the Republic of Georgia State Council; place and date not given]

[Text] To His Highness, Batoni [Georgian polite form of address] Levon Ter-Petrosyan, president of the Republic of Armenia,

Respected Batoni President!

I ask you to accept sincere and cordial congratulations from the Georgian people, the Republic of Georgia State Council, and me personally on the occasion of your national holiday, the day of independence of the Republic of Armenia.

I express confidence in the fact that the aspiration of the Armenian people to successfully build a democratic state will contribute to the strengthening of centuries-old good-neighborly relations between our countries.

The Republic of Georgia would like to have the broadest relations with the Republic of Armenia and, together with it, secure peace and stability in the region in which our two countries are located.

I wish you happiness and the people of the Republic of Armenia to achieve as quickly as possible the achievement of peace and prosperity.

I take advantage of this occasion to assure you, Batono President, once again of my great respect.
E. Shevardnadze

To His Highness, Batoni Isa Kamberov, acting president of the Republic of Azerbaijan,

Respected Batoni President!

I ask you to accept sincere and cordial congratulations from the Georgian people, the Republic of Georgia State Council, and me personally on the occasion of your national holiday, the day of the state independence of the Republic of Azerbaijan.

I express confidence in the fact that, on the basis of its high intellectual, spiritual, and cultural potential, the Republic of Azerbaijan will create in the very near future a genuinely democratic state and will occupy its worthy place in the world community of nations.

The historical past has linked our peoples and states with common deep ties of friendship. It is particularly necessary today that we strengthen the centuries-old traditions of good-neighborliness.

The Republic of Georgia will aim to develop the very closest relations with the Republic of Azerbaijan and, together with it, ensure peace and stability in the region in which our two countries are located.

I wish you and the people of the independent Republic of Azerbaijan to achieve as soon as possible peace, happiness, and prosperity.

I take advantage of this occasion to assure your Highness once again of my great respect.
E. Shevardnadze